

General Terms and Conditions of Purchase and Code of Conduct

Valid for all Scheuch companies

1. Scope of application

All current and future requests and orders are made exclusively on the basis of and subject to the validity of the terms and conditions of purchase that follow. In the event that the Supplier accepts our order, any conditions of delivery included on the order confirmation from the Supplier that contradict our terms and conditions of purchase shall not be valid. In the case of an ongoing business relationship, any later orders shall be deemed to have been placed under our terms and conditions, regardless of whether or not there are any special instructions.

2. Quote, order and order acceptance

- a) Quotes provided by the Supplier are always free of charge on our part.
- b) Our purchase orders shall apply for our purchases. Orders shall be deemed as binding when they have been submitted in writing (by post, email or fax) and signed by an authorised signatory. An order placed verbally in person or over the phone shall only be accepted if our order number is quoted and we shall only deem it to be binding once we have subsequently sent out written confirmation in the form of a purchase order.
- c) Acceptance of the order must be confirmed to us in the form of a signed copy of our purchase order, which is to be provided within a timeframe deemed suitable considering the scope of the order, but which shall be no later than within 14 days of the order being placed for all orders regardless of their scope. If an order confirmation or written rejection has not been received within this timeframe, we shall deem the order to have been accepted in full by the Supplier and it shall be considered to be binding.
- d) Any deviations from our order shall only be deemed to be valid once we have explicitly agreed to them in writing. Any deviating conditions of delivery put forward by the Supplier shall require our prior written consent in order to be valid.

3. Order and manufacturing documentation

- a) Drawings, specifications, samples and other documentation provided with our order must always be checked to ensure that they are correct and in line with the order.
- b) In the event that the Supplier is in breach of the duty stipulated under point 3. a), the Supplier shall be responsible for any loss or damage that has already been incurred as well as having to bear the costs and any associated expenses.

4. Privacy and intellectual property rights

- a) The Supplier hereby agrees to treat any information that becomes known to them in relation to the delivery as strictly confidential and they shall only use the said information for the purposes of this delivery. All information relating to the documentation provided with the order is and shall remain exclusively our intellectual property. It may only be used for the agreed purpose and must not be passed on to third parties. If we have provided our written consent for the engagement of a sub-contractor, the sub-contractor must also be bound by this non-disclosure clause.
- b) The non-disclosure clause applies to all provided drawings, specifications, figures, calculations, technical data, reference quantities, prices, information about products and product developments, information about current and future research and development projects, all company data relating to the other Contractual Partner, samples, and any other documentation provided in relation to the order.
- c) The non-disclosure clause does not apply to the Supplier in the case of information that is already public knowledge, that was already lawfully known to them at the point of being handed over, that was lawfully provided or handed over to the recipient by a third party without any non-disclosure agreements applying, or that has to be disclosed to a public authority to comply with an official request.
- d) By submitting a quote, the Supplier agrees that technical quote documentation and so on may be passed on to third parties for technical inspection, on the understanding that it shall not be disclosed or passed on further, without any claims being made against us.
- e) Regardless of the non-disclosure clause applying to documentation provided by us in relation to the order, the Supplier must permanently delete or destroy the original documents and any copies made once the order has been fulfilled. In the event that this is not possible owing to the nature of the order, the Supplier must store all documentation in a safe place and ensure that it cannot be accessed by unauthorised third parties.
The non-disclosure clause shall continue to apply for 5 years after the business relationship has ended or for 5 years after a quote has been submitted independently of a business relationship.
- f) The Supplier shall be liable for all damages, without any limitation of liability, as a result of non-compliance with these obligations.

5. Delivery periods

a) Agreed delivery periods and dates shall be regarded as fixed and binding. The Supplier shall only be deemed to have fulfilled their obligation to deliver within the agreed delivery period or on the agreed delivery date if the goods or services have been received or rendered free of defects within this period or at the agreed time at the place of fulfilment (in accordance with point 7. a); this shall also apply in particular to the complete transmission of the necessary documentation, including any operating manuals, data sheets, certificates, attestations or quality documentation.

b) If circumstances arise or are identified that legitimately mean that it is not possible to meet the agreed delivery periods or dates, the Supplier must inform us immediately and provide proof of the situation.

c) If the delivery is delayed, we shall be entitled either to withdraw from the contract without having to grant an extension or to continue to request the delivery. All other rights granted to us by law shall remain unaffected by this.

d) In the event of withdrawal from the contract owing to a delay to the delivery on the part of the Supplier, we shall be entitled to enforce a replacement performance or replacement order. The Supplier shall bear any additional costs and cover any loss or damage resulting from the delay.

e) In the case of services being provided by the Contractual Partner in conjunction with framework contracts, we shall be entitled to refuse to accept goods and/or to send back delivered goods right away in the event that delivery periods and/or delivery dates for partial performance are not met, without having to grant an extension. If a partial delivery is delayed under the framework contract, we shall be entitled to withdraw from the entire framework contract.

We shall, however, also be entitled to accept goods that are delivered late.

f) If a delivery is delayed, the Supplier shall have to pay a contractual penalty amounting to 1 % of the net order value for every week or part thereof entered into up to a maximum amount of 10 % of the net order value. The contractual penalty shall be asserted irrespective of any additional claim for damages. The contractual penalties can - at our discretion - either be deducted from the invoices or claimed separately.

6. Force majeure

a) War, civil unrest, forces of nature, export restrictions or trade restrictions due to a change in political circumstances, etc. Events that make it impossible or unreasonable for the Contracting Parties to fulfil the contract shall be deemed force majeure and shall release the contracting parties from their performance obligations unless they were unforeseeable and unavoidable and reasonable efforts were made to compensate for the effect of the force majeure on compliance with the performance obligations.

b) The Contractual Partners must inform each other of such situations and adapt their obligations in good faith in line with the changes to the circumstances.

c) If such events last for longer than one month, we shall be entitled to withdraw from the contract with immediate effect.

7. Delivery

a) The place of fulfilment for deliveries is the delivery address provided on our purchase orders.

b) Unless explicitly agreed otherwise in writing, deliveries shall be made DDP (delivered duty paid in accordance with the currently valid version of the Incoterms) A-4971 Auroldmünster, Weierfing 68.

c) If it has been explicitly agreed in writing that we shall bear the shipping costs, the Supplier must use the mode of transportation specified by us. If we have not specified a mode of transportation, the Supplier must choose the mode of transportation and delivery that is most favourable for us.

d) The Supplier undertakes to notify us 3 days prior to delivery of goods which require special unloading capacities (in particular complete lorry deliveries and heavy goods transport), including notification of the package dimensions and weights.

e) The Supplier shall always be responsible for any risk of damage to the goods during transportation, unless an agreement to the contrary has been made on the purchase order.

f) The bill of lading and delivery note must be included with all goods deliveries. In the case of goods from other EU countries that have to be cleared through customs, the invoice in triplicate and, if necessary, a declaration of origin on the invoice or a movement certificate shall also be required.

Our order number must appear on all shipping documents. Costs incurred by us due to missing or incorrectly issued shipping and customs documents shall be borne by the supplier and may - at our discretion - either be deducted from the invoices or claimed separately.

g) A delivery obligation shall only be deemed to have been fulfilled once the delivery has been made in full, including in the event of partial deliveries, and once all requested or required documents, plans and so on have been handed over to us. Regardless of whether the Supplier is the manufacturer or the dealer, they shall be obliged to perform sufficient checks on the goods to be delivered before they are dispatched to ensure that the quality and quantity of a delivery is correct, involving experts if required. The Supplier cannot rely on the fact that we have not registered any complaints. The Supplier shall send us works certificates, quality control reports, certificates of origin and other proof of quality assurance requested by us when we ask them to do so, but no later than the invoice date. We are authorised to check the progress of the production of the machines and equipment in the workshops of the Supplier and their subcontractors after prior agreement.

- h)** Confirmation of receipt shall only serve as confirmation that the delivery has arrived but not that the Supplier has fulfilled their duties properly under the contract.
- i)** Partial deliveries shall only be allowable if agreed in writing.
- j)** The Supplier undertakes to co-operate in the preparation of project-relevant documents and in this context to fill in the forms and templates provided by us completely and correctly with data relevant to their delivery item - in particular operating, performance and connection parameters.

8. Provision of spare parts

The Supplier hereby agrees to supply spare parts for the goods, products and so on delivered to us for a period of at least 10 years after delivery.

9. Transfer of risk

Risk is not transferred to us until the point of proper acceptance at the place of fulfilment.

10. Price and packaging

- a)** Unless agreed otherwise, the prices indicated on the purchase order shall be deemed to be fixed prices. Costs shall be transferred in line with the agreed Incoterms. Prices shall be deemed to be net prices exclusive of VAT.
- b)** The packaging selected by the Supplier must always protect the goods against damage, loss and theft during transportation. The Supplier must select standard packaging that is flawless and appropriate.
- c)** When packaging material is returned, the invoiced value must be credited in full. The Supplier shall cover the costs of the return when they receive the returned packaging material. Costs for the disposal of the packaging and any other fees, costs or taxes shall be borne by the Supplier unless an agreement to the contrary has been made.

11. Transfer and acceptance

- a)** Our obligation to inspect the goods and register complaints does not ever start until we actually start using the goods. This shall even apply in the event that the goods become our property before that point or in the event that the goods are passed on to a third party (in particular a freight carrier or forwarder).
- b)** The scope of the inspection of the goods shall be limited to:
 - 1. Ensuring that the type of goods ordered matches the type of goods delivered
 - 2. Checking for outwardly visible signs of damage caused during transportation
- c)** Deliveries may only be deemed to be accepted once we have given our written confirmation.
- d)** The following shall apply to partial deliveries:
 - 1. If we can break a delivery down into partial deliveries, the transfer takes place separately for each partial delivery.
 - 2. If we cannot break the delivery down into partial deliveries, the day on which the final partial delivery is made shall be deemed to be the day of the transfer. In the case of goods being installed by us, the relevant day shall be the day of acceptance on the part of our customer.

12. Warranty and compensation

- a)** The Supplier hereby guarantees that the delivery shall be free from defects in material and title. The absence of guaranteed properties shall also be deemed to be a defect. A warranted characteristic is in particular that the Supplier provides us with operating and performance parameters in the specification when delivering systems, machines, devices or their parts, which may have a significant influence on the proper and intended functioning in the overall system context during operation and must therefore be complied with, as well as the provision of sufficient information on activation and operation, in particular the provision of corresponding written documentation and labelling of the parts with regard to their use, permissible electrical connection values, temperature and pressure load, capacity and other data that is meaningful in the specific context.
- b)** Unless expressly agreed otherwise, the warranty period for movable goods shall be 24 months from commissioning or acceptance at the end customer, but no longer than 48 months from delivery to us, if commissioning or acceptance at the end customer could not take place for reasons for which we are solely responsible. The warranty period for immovable items shall be 60 months. This period shall also apply in the case of use during multiple-shift operation.
- c)** Throughout the entire warranty period, it shall be assumed that the defect was already present at the moment of transfer.
- d)** If defects are identified, we shall be entitled to specify the way in which the warranty is applied (repair, replacement, reduction in price or change).
- e)** In the case of unascertained goods, if defects are identified through random samples, there shall be an entitlement to warranty claims and claims for damages on the entire delivery.
- f)** The replacement of the goods shall then also be entirely free of charge to us if we have already passed on the goods to third parties and they have been installed on their premises. The Supplier shall reimburse the costs of removal and installation.

g) We shall be entitled to specify whether the Supplier should perform their duty under the warranty at the place of fulfillment or at the place at which the goods, products and so on are being used.

h) If we would like a defect to be rectified or something that is missing to be added, the Supplier must implement this without delay. In cases where delay is not an option (in particular in the case of interruption to assembly and system downtime), we shall be entitled to demand for defects to be rectified immediately (24 hours). Otherwise, the shortest period, a maximum of 5 working days, is to be set as the timeframe for the rectification work.

If the rectification work is delayed or refused or in cases where delay is not an option, we can rectify the defect ourselves or have the defect rectified by a third party, with the costs to be borne by the Supplier in both cases.

i) If goods or their parts have been rectified or replaced, the warranty period shall start again on the date on which the repair or replacement is performed with success.

j) These provisions shall not exempt the Supplier from any other warranty obligations.

k) The Supplier hereby agrees to provide compensation for any direct or consequential loss or damages resulting from defects. Regardless of their legal warranty obligations, the Supplier shall pay us compensation equating to the loss or damage actually suffered as well as covering any loss of earnings. Our loss or damage shall also include all costs incurred by us in or out of court in our efforts to assess the loss or damage (e.g. when obtaining expert opinions), prevent damages and make claims for damages. Exclusion of our claims for damages on the part of the Supplier in the event of slight negligence shall be impermissible and invalid.

l) If claims for damages are made by a third party, such as our customer, owing to a defective or delayed delivery, the Supplier shall indemnify and hold us harmless against all damages.

m) The duty of the Supplier in respect of the warranty and compensation shall not be reduced by us handling, processing or selling on the goods.

13. Supplier's duty to obtain information

The Supplier must clarify all details of the order and the planned work under their own responsibility. They shall be responsible for gathering all documentation required for the work at the relevant premises. Any errors resulting from a failure to comply with these duties shall be the responsibility of the Supplier.

14. Product liability

a) The Supplier hereby guarantees that they and their legal successor will monitor products. They shall inform us immediately if a product is found to have any dangerous properties after having been handed over and/or commissioned.

b) If a claim is made against us due to violation of official safety regulations or due to domestic or foreign product liability regulations or laws, and if this claim is attributable to defective products delivered by the Supplier, the Supplier shall compensate us for all resulting damages and otherwise indemnify and hold us harmless without any limitation of liability.

15. Payment conditions and assignment

a) Unless agreed otherwise, we shall make payments once the goods have been received in full and without defects and once we have been invoiced correctly as agreed. A discount of 3 % shall be applied for payments within 30 days, a discount of 2 % within 60 days or net payments within 90 days.

b) Payments may only be requested for partial deliveries if we have explicitly agreed to this beforehand.

c) The periods for making payments and applying discounts shall not be deemed to have started in the event of time delays resulting from incorrect and incomplete invoices.

d) We shall bear the costs of the money transfer from our primary bank, all other costs shall be borne by the Supplier. Unless otherwise stipulated in our order, the Supplier shall also bear the costs of issuing and, if applicable, extending a bank guarantee, including any expenses incurred. Any bank guarantees shall be provided in accordance with our sample, unless otherwise stipulated in the order.

e) Payments are made exclusively to the supplier, our direct Contractual Partner.

f) Our payment shall be considered to have been made promptly:

1. When the transfer is made on the day the payment is due.

g) The assignment of claims to third parties shall require our prior written consent.

h) Advance payments or prepayments are only permitted if expressly agreed in writing. For amounts of EUR 10,000 or more, the supplier is obliged to provide a free, irrevocable bank guarantee payable on first demand in the amount of the advance payment including VAT before payment is made.

The bank guarantee must be issued using the template provided by the SCHEUCH Group from a first-class credit institution approved in the EU and transmitted via SWIFT. It must be valid at least until complete performance and acceptance plus 2 months. All costs associated with providing the security shall be borne by the supplier. Without proper security, there shall be no claim to payment of the advance payment or prepayment.

16. Sub-contractors, offsetting and duty of advance performance

a) Our prior written consent shall be required for the engagement of sub-contractors.

b) Should we have any counterclaims, we shall be entitled to withhold or offset appropriate payments.

The supplier shall not be entitled to offset any claims on our part against claims on their own part, regardless of the title and context.

c) The Supplier shall always be required to perform the service beforehand. The Supplier may not plead uncertainty and shall not be entitled to retain the goods.

17. Liability for infringements of property rights

a) The Supplier shall be responsible for ensuring that no patents or other property rights of third parties are infringed by their delivery and the use thereof by us.

b) The Supplier shall indemnify and hold us harmless against all claims made by third parties in relation to infringements of patent and property rights.

18. Safekeeping, property

a) We retain ownership of any materials provided. These must be stored separately and may only be used for our order. The Supplier shall be liable for any reduction in value or loss, regardless of fault.

b) Items which are manufactured using the materials provided by us shall be co-owned with respect to the materials provided.

c) It is the duty of the Supplier to keep the newly manufactured items safe. The costs of storing the newly manufactured items are included in the agreed purchase price.

d) If the delivery date is postponed by the customer, the Supplier is obliged to store goods that have already been produced for a period of up to 12 weeks free of charge.

19. Quality assurance, compliance, data protection, and sanctions

a) The supplier undertakes to operate a quality assurance system and to allow us regular access to the quality records and to present these to us on request. In this regard, our focus is primarily on the documentation and analysis of errors and their causes, as well as on the definition of preventive improvement measures.

b) If the supplier does not operate a quality assurance system, they are obliged to inform us of this independently before signing the contract. In this case, we are entitled to specify the minimum requirements for the supplier's internal quality assurance.

c) The supplier expressly acknowledges the following Code of Conduct. The current version of the Code of Conduct is attached to these GTC as an appendix and can be viewed on our website. The supplier undertakes to provide its products and services in compliance with the "business ethics" (defined standards of business conduct) set out therein. We are expressly permitted to check compliance with the Code of Conduct, e.g. in the context of supplier audits.

d) The supplier warrants that the delivery item complies with the current state of the art at the time of delivery, in particular with the EC directives applicable in Europe, European standards and supplementary applicable national standards and specifications (EN, VDE, VDI, etc.) as well as the statutory provisions on product safety, in particular the Product Safety Act. The supplier shall also ensure that the products supplied by it comply with the provisions of Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorization, and Restriction of Chemicals ("REACH Regulation") and EU Directive 2011/65/EU ("RoHS Directive") on the restriction of (the use of certain) hazardous substances, as amended, and shall assure that the products supplied by it do not contain any substances on the so-called candidate list pursuant to Art. 59 (1) and (10) of the REACH Regulation. The supplier further undertakes to inform us immediately in writing if, for any reason, products supplied by it contain substances on the candidate list; this applies in particular in the event of the candidate list being extended/supplemented. The supplier shall name the individual substances and state their mass percentage as accurately as possible. Environmental law requirements and environmental agreements such as the Minamata Convention, which is to be implemented in the European Union through the Mercury Regulation 2017/852, the Stockholm Convention with EU Regulation 2019/1021 on persistent organic pollutants (POPs), or the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, etc., must be complied with in accordance with supply chain due diligence.

If the supplier becomes aware that its delivery item violates applicable regulations along its supply chain—in particular the aforementioned EU regulations, regardless of the reason—it must notify us of this information immediately.

e) The processing of personal data shall take place in accordance with the applicable legal provisions. If the supplier processes personal data on behalf of the Scheuch Group within the scope of the business relationship, this processing shall take place exclusively on the basis of a separate order processing agreement to be concluded in accordance with Art. 28 GDPR; without the conclusion of such an agreement, the supplier is not entitled to process personal data of the Scheuch Group. The supplier undertakes to process personal data exclusively in accordance with the contractual agreements, our instructions, and the applicable data protection regulations; the applicable data protection regulations are available at www.scheuch.com.

f) The supplier undertakes to comply with all sanctions regulations of the EU, the USA, the United Nations, and all other sanctions regulations. In the event that the supplier or a company affiliated with the supplier fails to comply with these regulations, we shall be entitled to terminate the contract at any time and the supplier shall be obliged to pay us for all damages incurred as a result.

g) Violations of the requirements under point 19 shall be considered a material breach of contract and shall entitle us to terminate the contract immediately for good cause, and the supplier undertakes to indemnify and hold us harmless for any claims for damages and expenses of any kind without any limitation of liability in the event of violations of point 19.

22. Place of jurisdiction and applicable law

a) The exclusive place of jurisdiction for all disputes arising directly or indirectly from the contract shall be the competent court in A-4910 Ried im Innkreis.

We shall, however, also be entitled to bring action against the Supplier at their general place of jurisdiction.

b) The parties may agree to refer a dispute to the court of arbitration.

c) Austrian law shall apply exclusively to the exclusion of the

1. United Nations Convention on Contracts for the International Sale of Goods
2. Federal Law of 15th June 1978 on International Private Law (IPRG)
3. International, EU, renvoi and conflict of law provisions (in particular Regulation No 593/2008 of the European Parliament and of the Council of 17th June 2008, Rome I Regulation), as amended.

23. Effectiveness

a) In the event that individual provisions within these terms and conditions of purchase are found to be invalid in whole or in part, the validity of all of the remaining provisions shall remain unaffected.

b) If these general terms and conditions of purchase are also provided in a language other than German, the German version shall be used for interpretation in cases of doubt.

Versions of the terms and conditions of purchase in languages other than German are non-binding and provided to the Supplier solely for information purposes.