

General Terms and Conditions of Purchase

Status 9/2024

1. General

1. Our Terms and Conditions of Purchase shall apply exclusively; we do not accept any terms and conditions of the supplier that conflict with or deviate from our Terms and Conditions of Purchase unless we have expressly agreed to their validity in writing. Our Terms and Conditions of Purchase shall also apply if we accept the supplier's delivery without reservation in the knowledge that the supplier's terms and conditions conflict with or deviate from our Terms and Conditions of Purchase.
- 1.2. All agreements made between us and the supplier for the purpose of executing this contract must be set out in writing in this contract.
- 1.3. Our Terms and Conditions of Purchase shall also apply to all future transactions with the supplier.

2. Orders

- 2.1. Only orders in text form are binding. Verbal or telephone orders and agreements require our confirmation in text form in order to become effective.
- 2.2. The passing on of orders to third parties or the involvement of subcontractors is only permitted with our consent in text form. Even if consent is granted, the third party involved shall be deemed to be a vicarious agent of the supplier.
- 2.3. If, after the order has been placed, we become aware of circumstances which give rise to serious doubts as to whether the order will be properly processed by the supplier, we shall be entitled to withdraw from the contract without compensation with regard to the deliveries still to be made.
- 2.4. The use of our inquiries, our orders and the associated correspondence for advertising purposes is not permitted.
- 2.5. Insofar as the supplier carries out work on our factory premises or on the factory premises of our customers in connection with the execution of the order, it shall be obliged to observe the statutory regulations applicable to the safety of employees and to the prevention of material damage, the provisions of the trade supervisory authorities, the accident prevention regulations, and the immission limitation regulations. The supplier shall indemnify us against all claims under public and private law, which are asserted against us due to any violation of these regulations.
Notwithstanding the warranty obligation, we have the right to enter the supplier's premises during normal working hours and to inspect the production of the goods intended for us. This shall not affect the supplier's sole responsibility for the conformity with the contract and freedom from defects.
The safety regulations communicated by Schmidt + Clemens must also be observed.

3. Prices and terms of payment

- 3.1. The price stated in the order is binding. Unless otherwise agreed in text form, the price includes delivery according to the current Incoterm "DDP" including packaging. The return of packaging requires special agreement.
- 3.2. The statutory VAT is not included in the price.
- 3.3. The assignment of claims to which the supplier is entitled against us requires our consent in text form.

4. Contractual penalty for late delivery

- 4.1. In the event of a delay in delivery, we are entitled to demand a contractual penalty of 0.5% of the delivery value per completed week, but not more than 5%. We are entitled to claim the contractual penalty in addition to the fulfillment and the damage caused by delay; we undertake to declare the reservation of the contractual penalty to the supplier within 10 working days at the latest, calculated from receipt of the delayed delivery.

5. Transfer of risk, shipment

Delivery shall be made in accordance with the Incoterm agreed in the contract. If no Incoterm has been contractually agreed, the Incoterm "DDP" shall apply in accordance with the current Incoterm.

6. Inspection of defects - warranty

- 6.1. We are obliged to inspect the goods within a reasonable period of time for any deviations in quality or quantity; the complaint shall be deemed to have been made in good time if it is made within a period of 10 working days, calculated from receipt of the goods or, in the case of hidden defects, from discovery.
- 6.2. We shall be entitled to the statutory warranty claims in full. Irrespective of this, we shall be entitled to demand that the supplier shall rectify the defect or supply a replacement at our discretion. In this case, the supplier shall be obliged to bear all expenses necessary for the purpose of remedying the defect or making a replacement delivery. We are entitled to remedy the defect ourselves at the supplier's expense if there is imminent danger. We expressly reserve the right to claim damages, in particular damages for non-performance.
- 6.3. The statutory warranty period is 24 months, calculated from receipt of the goods at the place of destination.
- 6.4. Acceptance of the goods, approval of drawings submitted to us or design proposals submitted by us shall not release the supplier from its sole responsibility for the delivered goods being free of defects.
- 6.5. If welding or mastic work is carried out as part of the rectification of defects, this requires our express prior approval in text form.
- 6.6. The contractual partner shall comply with the applicable legal regulations of the European Union and the Federal Republic of Germany, e.g. the REACH Regulation (Regulation EC No. 1907/2006).
The contractual partner shall inform us immediately of any relevant changes to the goods, their deliverability, usability or quality caused by statutory regulations, in particular the REACH Regulation, and shall coordinate suitable measures with us in individual cases. The same shall apply as soon as and insofar as the contractual partner recognizes or should have recognized that such changes could occur.

7. Drawings, models

- 7.1. Documents or means of production of any kind, such as samples, drawings, models, tools, instructions of a technical nature, which we make available to the supplier or which we pay for, may only be used for deliveries to us. They may not be passed on to third parties, nor may they be used for the supplier's own purposes other than those for which they were provided.
- 7.2. The documents and means of production referred to in clause 7.1. must be returned to us immediately in perfect condition or destroyed without retaining copies or individual items as soon as the order has been completed and we request their return or destruction. A right of retention is excluded in this respect.
- 7.3. Changes to the documents and means of production mentioned in clause 7.1 may only be made with our consent in text form. The supplier shall store these for us free of charge. The same applies to special equipment such as casting molds required for production, even if these have been manufactured or procured at the supplier's expense.

8. Provisions

- 8.1. The material provided by us may only be used for our order.
- 8.2. The supplier can no longer invoke defects in the material provided that would have been recognizable during proper inspection after the material has been processed. The provision of material by us shall not release the supplier from its warranty obligation.

- 8.3. The supplier shall be liable for the loss of or damage to material provided. We must be informed immediately of any impairment. The supplier shall provide appropriate insurance cover at its own expense and shall provide evidence of such insurance cover immediately upon request.
- 8.4. The material provided by us shall remain our property at every stage of processing; processing or transformation by the supplier shall be carried out on our behalf. If our reserved goods are processed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of our item to the other processed items at the time of processing.
- 8.5. If the item provided by us is inseparably mixed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of the item subject to retention of title to the other mixed items at the time of mixing. If the mixing takes place in such a way that the supplier's item is to be regarded as the main item, it is agreed that the supplier shall transfer co-ownership to us on a pro rata basis; the supplier shall keep the sole ownership or co-ownership of us at his own expense.

9 Product liability, indemnification, liability insurance cover

- 9.1. If a defect in a product which we have delivered to a third party is based on the fact that a delivery or service of the supplier is or was defective, the supplier shall be obliged to indemnify us against any related claims for damages by third parties upon first request. In this context, the supplier shall also be obliged to reimburse any expenses pursuant to Sections 683, 670 German Civil Code (GCC) and Sections 830, 840, 426 GCC which arise from or in connection with a recall action carried out by us. We shall inform the supplier of the content and scope of the recall measures to be carried out - as far as possible and reasonable - and give him the opportunity to comment.
- 9.2. The supplier undertakes to maintain product liability insurance with a lump sum cover of at least € 2.5 million per personal injury/property damage; if we are entitled to further claims for damages, these shall remain unaffected.

10. Property rights

- 10.1. The supplier warrants that no third-party rights are infringed in connection with its delivery.
- 10.2. If a third party asserts claims against us which are based on the fact that the deliveries or services of the supplier infringe the rights of the third party - in particular but not limited to industrial property rights - the supplier shall be obliged to indemnify us against these claims upon first written request. Excluded from the obligation to indemnify are only such claims of the third party - which exist from an agreement with the third party which we have reached with the third party after the assertion of the claims, such as a settlement or acknowledgement. The exclusion shall not apply if the supplier has consented to the agreement with the third party or has subsequently approved it.
- 10.3. The supplier's obligation to indemnify relates to all expenses necessarily incurred by us from or in connection with claims asserted by a third party. In particular, this also includes the reimbursement of reasonable lawyers' fees according to hourly rates, which may be significantly higher than the rates of the German Lawyers' Fees Act (Rechtsanwaltsvergütungsgesetz).
- 10.4. The limitation period is 10 years, calculated from the date on which the third party asserts the claim against us.

11. Compliance/ ESG regulations

- 11.1. Each supplier undertakes to identify and comply with the laws, guidelines, regulations or other obligations applicable to it on its own responsibility and to ensure compliance by its subcontractors and sub-suppliers. Details can be found in the following sections of this clause 11 and in particular in the Schmidt + Clemens Code of Conduct referred to in clause 11.5. The supplier is obliged to comply with the provisions on combating bribery, demands for bribes and extortion of bribes of the OECD Guidelines for Multinational Enterprises as well as all laws on combating corruption and preventing money laundering applicable to the legal relationship between us and the contractor ("Regulations on Combating Corruption and Preventing Money Laundering").
- 11.2. In fulfilling its obligations arising from the contractual relationship with us, the supplier must comply with the human rights protection obligation and oblige its suppliers and subcontractors (including service providers) who act in connection with the fulfillment of the supplier's obligations towards us to comply with the human rights protection obligation at their own premises and in their supply chains. "Human Rights Duty to Protect" means the obligation to refrain from and end any violation of human rights and to take measures to prevent imminent violations and to avert or minimize risks of negative impacts on human rights. "Human rights" means internationally recognized human rights, at least as contained in the International Charter of Human Rights (UN) and in the core labour standards of the International Labour Organization (ILO). In addition, the supplier undertakes a) to instruct its legal representatives and employees to comply with the human rights protection obligation and b) to regularly train its legal representatives and employees with regard to compliance with the human rights protection obligation.
- 11.3. The supplier is obliged to comply at all times with the environmental regulations to which it is subject. These may include, but are not limited to: the law on placing on the market, taking back and high-quality recycling of packaging; the European Carbon Border Adjustment Mechanism (CBAM) and the Supply Chain Act
- 11.4. The supplier assures to comply with the obligations to act contained in the Code of Conduct of Schmidt + Clemens and to comply with the principles anchored therein.
- 11.5. We are entitled to check the supplier's compliance with the obligations set out in this clause 11 by means of audits during the supplier's normal business hours if a) there is a reasonable initial suspicion that the supplier is not complying with its obligations under this clause 11 or b) we are obliged by agreement with our customer to establish such audit rights with our suppliers and subcontractors and our customer requests us to carry out a corresponding audit. In the case mentioned under clause 11.4 lit. b), we may determine the time and scope of the audit at our reasonable discretion in accordance with Section 315 GCC, insofar as this is necessary to fulfill our own obligations to our customer. In the event of an audit pursuant to this clause 11.4, the Supplier shall be obliged to provide us with all information, documents and information necessary to verify the Supplier's compliance with or breach of the provisions of this clause 11.
- 11.6. Without prejudice to further rights and remedies, we are entitled to terminate our legal business relationship for cause and with immediate effect if the Supplier a) fails to remedy the serious breach of a human rights protection obligation within a reasonable period of time; or if the violation cannot be ended in the foreseeable future, does not draw up and implement a concept to end or minimize the violation; or does not take effective measures to prevent future similar violations; or b) violates the regulations on combating corruption and preventing money laundering in accordance with clause 11.2.

12. Place of jurisdiction, place of performance, applicable law, severability clause

- 12.1. Place of jurisdiction: Cologne
- 12.2. Unless otherwise stated in the order confirmation, our registered office is the place of performance.
- 12.3. The law of the Federal Republic of Germany shall apply with the exception of the UN Convention on Contracts for the International Sale of Goods.
- 12.4. Should one of the above mentioned conditions be invalid in whole or in part, this shall not affect the validity of the other conditions.