

I. General

Subject to deviating agreements in individual cases, contracts with us apply solely in accordance with the following terms and conditions of purchase, even if we accept the delivery without reservation or pay for it. Conflicting or deviating terms and conditions of the supplier only apply if we have expressly acknowledged them.

We are free to demand changes to the delivery item with regard to the design and execution within the scope of reasonableness for the supplier. In this context, effects, in particular with regard to additional and reduced costs as well as with regard to delivery dates, are to be settled amicably and appropriately. The supplier may only place subcontracts with our prior written consent.

II. Form

Our orders are only binding if we have placed them in writing. The same applies if orders are confirmed by us in writing. All other declarations, including declarations regarding changes to the written form clause, must be confirmed in writing to be valid.

III. Prices and terms of payment

(1) Unless otherwise agreed, all prices are free place of destination - in case of delivery as wagon load free siding - including transport and packaging. An obligation to return the packaging requires a special agreement.

If prices "ex works" or "ex warehouse" are agreed between us and the supplier, we only bear the most favourable freight costs in each case, unless otherwise agreed.

(2) Our payments are made by the end of the month following the receipt of the goods and the invoice. We are free to choose the means of payment, insofar as these are customary, whereby we are expressly entitled to bank transfer or payment by cheque. If the delivery is made before an agreed date, this does not affect the payment deadline linked to the agreed date. If we make payments within 14 days of receipt of the goods, we are entitled to deduct a 3% discount. If the invoice is received by us later than the goods or is incomplete or incorrect, the date of receipt of the invoice or the complete and correct invoice is decisive for the calculation of the discount period.

(3) The supplier may only set off claims that are undisputed or have become res judicata. We are entitled to set off against the supplier's claims against us all claims to which we are entitled.

(4) Without our prior express written consent, the supplier is not entitled to assign its claims against us or to have them collected by third parties. However, we may not

unreasonably refuse prior written consent. If the supplier assigns his claim against us to a third party without our consent, the assignment is nevertheless effective. However, we may at our discretion make payment to the supplier or the third party with discharging effect.

(5) If the subject matter of the contract concerns products which are directly included in the products manufactured by Mühlhoff and which become an essential part of them (so-called production material), this item III. section (5), paragraphs (i) to (ii) applies in addition to item III. section (1) to (4).

(i) If, in the case of long-term contracts, a significant change occurs in the cost of materials or energy, each contracting party is entitled to demand negotiations on an appropriate adjustment of the price, taking these factors into account. For this purpose, a reliable plausibility check in the form of a cost break down and the corresponding indices must be submitted by 31 October of each year. Pricing will then take place on 01.01. of the following year.

The delivery obligation of the existing contracts remains unaffected.

(ii) The supplier has to ensure that the contractual parts with regard to technical requirements, quality, delivery reliability as well as prices stand up to an objective comparison in competition.

In this respect, Mühlhoff is entitled to review the competitiveness with regard to the aforementioned criteria. Should Mühlhoff receive an offer for comparable services from an alternative supplier which is more advantageous for Mühlhoff, Mühlhoff will inform the supplier of this in writing. The supplier is then given the opportunity to submit an action plan within a period of one month in order to improve its competitiveness in relation to the four criteria. The action plan must contain at least a binding implementation period and the effects of the individual measures. Should the supplier not succeed in improving the competitiveness to a level more advantageous for Mühlhoff compared to the alternative supplier on the basis of the measures submitted, or should the agreed implementation period not be adhered to, Mühlhoff is entitled to terminate the contract including price agreements with regard to the affected parts with a notice period of 3 months.

IV. Deliveries

(1) The place of performance - unless otherwise agreed - is the place of destination stated on the order.

Therefore, the risk of accidental loss or deterioration of the goods does not pass to Mühlhoff Umformtechnik until delivery of the goods at the place of destination.

(2) The delivery dates stated and agreed in the order are binding, except in cases of force majeure. If circumstances arise as a result of which the delivery dates cannot be met, the supplier must inform us of this immediately, i.e. without culpable delay.

If the supplier is aware that he will have to exceed the agreed deadlines for reasons for which neither he nor his sub-suppliers are responsible, he has to notify us of this in writing without culpable delay. If the supplier fails to give such notice or fails to do so without undue delay, the supplier may only invoke these reasons if we were obviously aware of the reasons and their effect.

(3) Partial performance or partial deliveries are generally not permitted to the supplier, unless these have been expressly agreed in writing between us and the supplier or expressly approved by us in writing. Non-agreed or unauthorised partial performance or partial deliveries entitle us to cancel the remaining quantity, unless the cancellation is unreasonable.

(4) In its deliveries, the partner complies with the respective applicable legal regulations of the European Union and the Federal Republic of Germany, e.g. the REACH Regulation (Regulation EC No. 1907/2006), the Law on the Return and Environmentally Sound Disposal of Electrical and Electronic Equipment (ElektroG) as national implementation of Directive 2002/95/EC (RoHS) and Directive 2002/96/EC (WEEE) and the End-of-Life Vehicles Act as national implementation of EU Directive 2000/53/EC.

The partner will inform us without delay of relevant changes to the goods, their deliverability, usability or quality caused by statutory regulations, in particular by the REACH Regulation, and coordinate suitable measures with us in individual cases. The same applies as soon as and to the extent that the partner recognises that such changes will occur.

V. Quality/ Performance/ Insurance

The supplier knows that we predominantly manufacture for the automotive industry. Therefore, the supplier is aware that the products supplied must comply with the standards and specified procurement requirements necessary for the automotive industry. The supplier has to constantly align the products to be delivered to the quality in accordance with the recognised rules of technology, to point out to us possibilities for improvement and to comply with the safety and environmental regulations and the agreed specifications. Should the nature of the order indicate that the order does not relate to products for the automotive industry, the supplier has to orientate himself to the standards required for the respective subject matter of the contract and the applicable official regulations.

VI. Customer-specific requirements

The current customer-specific requirements apply as long as no Mühlhoff specifications are available. It is the responsibility of the respective supplier to obtain these customer-specific requirements, to introduce and implement the corresponding contents and requirements. These can be provided on request.

The supplier is expressly obliged to maintain sufficient liability insurance cover, which in particular also covers a possible recall cost risk. The obligations in point VII: (7) remain unaffected by this. Should the placing of the order require the installation of one or more computers, the following applies in addition to our terms and conditions of purchase:

Operating system

At the time of delivery, the operating system must correspond to the current release status including all security patches.

Virus scanner

The system must be completely checked with a current virus scanner before delivery. The protocol of the check must be enclosed. After a successful check, the virus scanner must be uninstalled.

Third-party software

Software that is not required for the operation of the computer or for the control / monitoring of the order must be uninstalled. This includes demo versions in particular.

Remote maintenance

If the computer requires remote maintenance, this must be carried out via the Internet. Deviations from this requirement and the associated costs (e.g. ISDN lines) are to be borne by the supplier. Licence costs for software required for remote maintenance (e.g. Netviewer, Teamviewer) are to be borne by the supplier.

VII. Defect investigation/ Defect liability/ Product liability

(1) The supplier warrants that his delivery has the agreed quality and is free from material defects and defects of title. In the absence of an agreement regarding the quality, the supplier warrants that his delivery is suitable for the use presumed under the contract, otherwise the usual use, even after the further processing to be expected by us.

(2) The time of commencement of the warranty is the complete delivery of the scope of delivery or performance, this also applies to machines. If acceptance has been agreed, the time for the commencement of the warranty is the acceptance. The statutory limitation period applies to claims for defects, insofar as and to the extent that no other

period has been expressly agreed. The limitation period starts anew for repaired or replaced parts. The supplier undertakes to remedy all defects notified within the limitation period immediately at its own expense. Alternatively, we can demand that the supplier delivers a defect-free item. The supplier bears the costs of the removal or replacement delivery such as the freight and transport costs and other ancillary costs.

If the supplier does not begin to rectify the defect without culpable delay or does not do so in accordance with the contract, or if there is an urgent case, we have the right to carry out the necessary measures ourselves or have them carried out by third parties at the supplier's expense. In particular, we are then free to replace defective products ourselves or to have them replaced by third parties. The statutory rights of the purchaser to withdraw from the contract, reduce the purchase price or claim damages remain unaffected, in particular also in the event of a recall.

(3) In the case of defects which were/are not open or obvious, the supplier waives the objection of delayed notification of defects (§ 377 HGB).

(4) If we take back items manufactured or delivered or sold by us due to and as a result of the defectiveness of the item/items delivered by the supplier or if a third party asserts rights of reduction against us because of this, we may take recourse against the supplier. If we have been held liable for damages or otherwise by third parties due to and as a result of the defectiveness of the item/items delivered by the supplier, we may have recourse against the supplier. In this case, there is no need to set a deadline, which would otherwise be required. In this case, we may demand reimbursement of the expenses to be borne by us in relation to our customers. In the cases of this paragraph, the limitation period commences, without prejudice to the provision in paragraph two, at the earliest three months after the time at which we have fulfilled the claims against our customers, but at the latest five years after delivery of the subject matter of the contract by the supplier.

(5) If a defect becomes apparent earlier than six months after the transfer of risk, it is assumed between us and the supplier that the defect was already present at the time of the transfer of risk. This presumption does not apply only if this presumption is incompatible with the nature of the defect.

(6) If a claim is made against us on the basis of domestic or foreign product liability laws and product liability regulations due to a defect or deficiency of a product which is attributable to the product or the delivery of the supplier, we are entitled to demand compensation from the supplier for this damage to the extent that it is caused by the product/delivery of the supplier.

(7) If the supplier is responsible for product damage, it is obliged to indemnify us against claims for damages of any

kind by third parties upon first request, insofar as the cause lies within the supplier's organisational and control area and it is liable itself in the external relationship.

The supplier undertakes to maintain product liability insurance with sufficient coverage. Further claims for damages and other claims by us remain unaffected by this.

VIII. Property rights

(1) The supplier guarantees that the contractual use/application of the delivery items does not violate the property rights of third parties.

(2) Documents, in particular drawings, devices, models, tools and other means of production provided by us to the supplier remain our property. If no provisions to the contrary have been made in a separately agreed tool contract, ownership of tools or other means of production paid for by us will pass to us upon payment in full. We may at any time demand that the supplier surrenders the means of production and tools which are his property.

All documents produced according to our specifications and paid for by us, in particular drawings, devices, models, tools and other means of production may not be made accessible to third parties.

(3) The supplier is required to keep working documents and records and to make them available to us upon request, on the basis of which the quality assurance measures taken can be proven. In the case of safety-relevant parts as defined in the relevant regulations, the retention period is at least 15 years after delivery.

IX. Environmental protection and occupational safety/ social responsibility/ sustainability

In the context of corporate activities, respect for human rights as well as occupational safety and environmental protection are among the essential components of social responsibility. This applies both to Mühlhoff itself and to our suppliers. In this context, we also refer to our corporate policy as well as our principles of social responsibility, which can be found at:

- https://www.muehlhoff.de/images/documents/untern_ehmenpolitik.pdf
- https://www.muehlhoff.de/images/documents/grunds_atzesozialverantwortung.pdf

The supplier undertakes to comply with the respective statutory regulations on the treatment of employees and on environmental protection, occupational health and safety. For this purpose, the supplier will establish and further develop a management system according to ISO 14001 (or EMAS) at Mühlhoff's request. Alternatively, the supplier must establish and further develop an internal

environmental management system which is oriented towards the requirements of ISO 14001, takes up sustainability aspects and at least covers the topics of

- reporting on greenhouse gas emissions,
- continuous improvement of sustainable resource use (energy, water, air, raw materials, primary materials),
- renewable energies,
- decarbonisation initiatives,
- water quality, consumption and management,
- improving soil and air quality,
- responsible chemical management, waste prevention, promoting reuse and recycling,
- conservation of biodiversity,
- sustainable land use and
- avoidance of deforestation

The supplier undertakes to ask its supply chain to introduce similar environmental standards and to check their implementation within the scope of its possibilities.

Furthermore, the supplier will observe the principles of the UN Global Compact Initiative as well as the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up and introduce a policy on working conditions and human rights.

This must include at least the following topics:

- occupational health and safety,
- the protection of international human rights,
- the right to freedom of association and collective bargaining,
- fair wages, benefits and working hours,
- the prohibition of modern slavery and child labour,
- fair treatment of young workers,
- the elimination of discrimination and harassment in recruitment and employment,
- the realisation of equal opportunities, inclusion and women's rights,
- environmental responsibility,
- the protection of traditional land, water and forest rights,
- non-participation in forced evictions and
- the prevention of corruption.

If the supplier has not introduced his own guideline on social responsibility, the principles of social responsibility of Mühlhoff Umformtechnik apply as a minimum standard, which the supplier hereby undertakes to comply with. Furthermore, the supplier undertakes to comply with all legal requirements applicable to its product and operations, in particular those of antitrust and competition law, corruption prevention, money laundering prevention, export control and data protection.

Notwithstanding the above provisions, the supplier has to comply with the requirements of the Supply Chain Sourcing Obligations Act - LkSG in a manner as if his company fell within the scope of the Act pursuant to § 1 of the Act. Upon request, he has to provide Mühlhoff with all necessary information and allow inspections. Measures taken by Mühlhoff to comply with the legal requirements applicable in Germany regarding the human rights and environmental due diligence obligations of companies have to be tolerated by the supplier and support Mühlhoff, unless this would be unreasonable for him.

X. Withdrawal

Subject to the rights in the event of a breach of contract by the supplier, we are entitled to withdraw from the contract in whole or in part without giving reasons. In such a case, we are obliged to pay for all deliveries/services rendered up to that point, as well as to adequately remunerate procured material or work. § Section 649 sentence 2, second half-sentence BGB applies in addition. We are also entitled to withdraw from the contract if judicial composition or insolvency proceedings are applied for against the supplier's assets or if the supplier suspends payments.

XI. Place of jurisdiction/ severability clause

(1) The place of performance for all deliveries is the place of receipt designated by us, in the absence of a designation our place of business ("delivery free domicile"). The place of jurisdiction is our registered office, i.e. Uedem, or, at our discretion, the general place of jurisdiction of the supplier. Should individual or several provisions of these Terms and Conditions of Purchase be or become invalid or should a gap in the Terms and Conditions of Purchase arise, this does not affect the validity of the rest of the Terms and Conditions of Purchase. Rather, the invalid provision has to be replaced by a valid provision and gaps have to be filled in such a way that best corresponds to the economic purpose intended between the parties.