

## GENERAL TERMS AND CONDITIONS OF PURCHASE FOR INDIRECT PROCUREMENT

### 1. SCOPE OF APPLICATION, FORM

- 1.1. These General Terms and Conditions of Purchase (GTCs) apply to (all) orders placed by Hoffmann SE and its subsidiaries (hereinafter referred to as "Hoffmann") with business partners and suppliers ("Seller" or "Supplier"). The GTCs only apply if the Seller is an entrepreneur (Section 14 of the German Civil Code (BGB)), a legal entity under public law or a special fund under public law.
- 1.2. The GTCs apply specifically to contracts regarding the delivery of movable items ("goods") and/or services, regardless of whether the Seller manufactures and/or renders the goods and/or services itself or purchases these from suppliers (Sections 433 and 651 BGB). Unless otherwise agreed, the GTCs apply in the version valid at the moment Hoffmann places the order, or at least in the version most recently disclosed to it in text form, as a framework agreement, and shall also apply to similar future contracts, without it being necessary for us to refer to them again in each individual case.
- 1.3. These GTCs apply exclusively. Differing, opposing, or supplementary general terms and conditions of business on the part of the Seller shall become a constituent part of the contract if and only if we have expressly approved their validity in writing. This requirement for approval applies in each case, for example, even if we accept deliveries from the Seller without reservation despite being aware of the Seller's general terms and conditions of trade.
- 1.4. Individual agreements with the Seller concluded on a case-by-case basis (including side agreements, supplements, and changes) shall always take precedence over these GTCs. With regard to the content of agreements of this type and in the absence of proof to the contrary, a written contract or our written confirmation – including by fax or email with a simple signature – shall be authoritative.
- 1.5. Legally relevant declarations and notifications on the part of the Seller with regard to the contract (e.g. the setting of a deadline, reminders, or a declaration of rescission) must be submitted in writing, i.e. in written or text form (e.g. letter, email, fax). Legal requirements as to form and additional verifications, particularly in the event of doubt regarding the credentials of the party making the declaration, shall remain unaffected.
- 1.6. Any references to the application of statutory provisions are solely for the purposes of clarification. The statutory provisions therefore apply even without any such clarification, unless they are directly modified or expressly ruled out in these GTCs.
- 1.7. Our privacy statement can be accessed here: <http://ho7.eu/dataprotection>.

### 2. CONCLUSION OF THE CONTRACT/OFFER – OFFER DOCUMENTS

- 2.1 Orders are generally placed by Hoffmann in written form (also in electronic form). Transmission by telecommunication is always permitted.
- 2.2 Before accepting an order, the Seller must draw our attention to any obvious errors (e.g. clerical mistakes or calculation errors) or details that have not been completed in the order, including in the order documentation, so that these can be corrected or completed; otherwise the contract shall be deemed not to have been concluded.

Delayed acceptance is regarded as a new offer, which requires our acceptance.

- 2.3 Hoffmann retains ownership and copyright of its images, drawings, calculations, and other documents, and these must not be made accessible to third parties without Hoffmann's express, written consent. They must be used exclusively for production on the basis of orders; after the order has been executed, they must be returned to Hoffmann without prompting. They must be kept secret from third parties.

### 3. DELIVERY PERIOD AND DELAYED DELIVERY

- 3.1 The delivery period stated by us in the purchase order is binding. The Seller is obliged to inform us without undue delay if it anticipates that it will not be able to adhere to agreed delivery periods, for whatever reason. Partial deliveries are only permissible if Hoffmann agrees to this.
- 3.2 If the Seller fails to render its performance at all, or within the agreed delivery period, or if the Seller falls behind with its deliveries or services, our rights – particularly the right of rescission and the right to compensation – shall be determined by the statutory provisions. The provisions in paragraph 3 shall remain unaffected.
- 3.3 If the Seller's deliveries or services have been delayed, we can demand flat-rate compensation for the damage suffered by us as a result of this delay in the amount of 0.5% of the net price per complete calendar week, subject to an overall cap of 5% of the net price of the goods or services delivered late. This compensation is in addition to other statutory claims. We reserve the right to prove that a greater loss was caused by the delay. The Seller reserves the right to prove that no loss at all or a substantially smaller loss was caused by the delay.

### 4. PROVISION OF SERVICES/SUBCONTRACTORS

The use of subcontractors by the Supplier is only permissible with Hoffmann's express, written approval. The Supplier must take care to ensure that it complies with all legal provisions and regulatory requirements in relation to itself and to the employees and subcontractors that it uses. This includes the regulations in connection with social security and tax law, in particular. The Supplier gives it assurance that there are no circumstances within its company or within the company of third parties used by the Supplier that could justify the existence or the risk of a bogus self-employment.

## 5. DELIVERY, TRANSFER OF RISK, DEFAULT IN ACCEPTANCE

- 5.1 In the case of the delivery of moveable items, the delivery shall be carriage free within Germany to the place specified in the order. If the destination is not specified and nothing to the contrary is agreed, the items shall be delivered to our registered office in Munich. The respective destination is also the place of performance for the delivery and for any supplementary performance (obligation to fulfil). A delivery note stating the date (issue and dispatch), content of the delivery (article number and number of articles), and our purchase order identifier (date and number) must be enclosed with the delivery. If the delivery note is missing or incomplete, we shall not be responsible for any processing and payment delays as a result. A corresponding dispatch note with the same content must be sent to us separately from the delivery note.

In the case of services, the provision of the service shall take place within Germany at the location specified in the order, unless otherwise agreed, with no additional travel costs. If the destination is not specified and nothing to the contrary is agreed, the service shall be rendered at our registered office. The respective destination is also the place of performance for the provision of the service.

- 5.2 The risk of accidental destruction or accidental deterioration of the item shall pass to us upon handover at the place of performance. If formal acceptance is agreed, this is authoritative for the transfer of risk. For the rest, the statutory provisions on contracts for work and services also apply mutatis mutandis in the event of a formal acceptance. If there is a delay in acceptance on our part, this is equivalent to handover or acceptance.
- 5.3 Work that has been performed shall be subjected to an acceptance test upon provision by the Supplier. Hoffmann shall declare acceptance of the performance after the acceptance test has been completed, provided that the performance is defect-free. Should services provided by the Supplier turn out to be defective, the Supplier shall – within a reasonable timeframe and at Hoffmann's option – either rectify this at its own expense or re-render the services without defect. If, despite the provision of a reasonable grace period, the Supplier fails to rectify the defect or re-render the services without defect, Hoffmann may rescind the contract or reduce the remuneration by an appropriate amount or rectify or have the defect rectified at the Supplier's expense, and demand compensation. There is no requirement to first set a grace period in order to exercise the above-mentioned rights if the Supplier refuses performance, the supplementary performance is unreasonable from Hoffmann's perspective, or if there are special circumstances, which – after weighing up the interests of both parties – justify the immediate assertion of the above-mentioned rights.
- 5.4 The statutory provisions apply with regard to the commencement of our delay in acceptance. The Seller must expressly offer its performance to us even if a specific or definable calendar date or period has been agreed for an act or cooperation on our part (e.g. provision of materials). If there is a delay in acceptance on our part, the Seller can demand compensation for its additional expenses in accordance with the legal provisions (Section 304 of the German Civil Code (BGB)). If the contract concerns a non-fungible item to be manufactured by the Seller (custom-made item), the Seller shall only have further rights if we have undertaken to cooperate with the Seller and are responsible for the omission of this cooperation.

## 6. PRICES AND PAYMENT TERMS

- 6.1 The price stated in the purchase order is binding. All prices include statutory VAT if this is not shown separately.
- 6.2 Unless otherwise agreed in an individual case, the price includes all services and ancillary services of the Seller (e.g. assembly, installation) and all ancillary costs (e.g. appropriate packaging, transport costs – including any transport or public liability insurance).
- 6.3 Any additional charge or price reduction caused by changes in the execution of the order must be promptly disclosed to Hoffmann, and requires the written approval of Hoffmann before the goods are delivered or the services provided.
- 6.4 The agreed price shall be due for payment within 30 calendar days of full delivery and performance (including any acceptance agreed) and receipt of a due and proper invoice. In the case of bank transfers, a payment shall be considered timely if our remittance order is received by our bank before the expiration of the payment deadline; we are not responsible for delays by the banks involved in the payment process.
- 6.5 We shall not owe any default interest. The statutory provisions apply with regard to the delayed payment.
- 6.6 We shall have rights of offset and retention, and the defence of non-performance of the contract, to the extent permitted by law. We are specifically entitled to withhold payments due as long as we still have claims against the Seller as a result of incomplete or defective services.
- 6.7 The Seller shall have a right of offset or retention only in respect of counterclaims that are uncontested or have become res judicata.

## 7. NON-DISCLOSURE AND RETENTION OF TITLE

- 7.1 We retain ownership and copyright of documents and freely-issue materials of all kinds. Documents of this type must be used exclusively for the contractual performance and returned to us after the contract has been executed. The documents must not be disclosed to third parties, including after the end of the contract. The non-disclosure obligation shall expire only after the knowledge contained in the documents provided has become common currency.
- 7.2 The above provision applies mutatis mutandis to substances and materials (e.g. software, finished and semi-finished products) and to tools, templates, samples, and other items that we provide to the Seller for production. Items of this kind should be stored separately at the Seller's expense – insofar as they are not being processed – and insured against destruction and loss for an amount that is appropriate.
- 7.3 In addition, no reference must be made to the existing business relationship with Hoffmann for advertising purposes unless Hoffmann has agreed to this in writing.
- 7.4 Further processing of free-issue materials by the Seller is performed on our behalf. The same applies where delivered goods are further processed by us, so that we are deemed to be the manufacturer, and acquire ownership of the product at the time of its further processing, at the latest, in accordance with the statutory provisions.
- 7.5 It is imperative that title to the goods is transferred to us, regardless of whether the price has been paid. However, if, in an individual case, we accept an offer by the Seller to transfer ownership that is conditional on payment of the purchase price, the Seller's retention of title shall expire when the purchase price for the delivered goods is paid, at the latest. We remain authorised to resell the goods in the regular course of business, including prior to payment of the purchase price, whilst assigning in advance the resulting claim (alternatively, application of the simple retention of title extended to resale). All other forms of retention of title are thereby excluded in any case, particularly retentions of title that are enlarged, forwarded, or extended to further processing.

## 8. RIGHTS TO OUTCOMES

- 8.1 The outcomes of the services (hereinafter "Outcomes") become the property of Hoffmann when they are created, and in their respective processing state. The Supplier shall hold the Outcomes in safe custody for Hoffmann until their handover. In the event that, for legal reasons, Hoffmann does not originally become the sole owner of all rights to the Outcomes in accordance with the first sentence, Hoffmann shall have the exclusive, assignable, sub-licensable, global right, unrestricted by time or content, to use the Outcomes in any way from the moment they are created, such use to be by Hoffmann itself or third parties, in all known and unknown usage types, and in full or in part. Hoffmann shall also be entitled to replicate or alter these Outcomes, make them available to the public in edited form, or to publish or exploit them.
- 8.2 If Outcomes that may be protected by industrial property rights are created, the Supplier is obliged to notify Hoffmann of this in writing without undue delay. In this event, Hoffmann is entitled, at its own discretion, to register property rights in its name in any countries, and to maintain these or let them drop at any time. If necessary, the Supplier shall provide Hoffmann with comprehensive support during the registration, and shall specifically provide it with the necessary information without undue delay, submit all requisite declarations and take all necessary measures; the Supplier shall refrain from doing anything that might hinder the registration and efficient exploitation of the rights by Hoffmann. The Supplier is specifically prohibited from making a corresponding entry in its name or in the name of a third party, and from directly or indirectly assisting third parties with this. The property rights arising on the basis of such registrations shall belong to Hoffmann. The provisions of the German Employee Inventions Act (ArbnErfG) shall apply to inventions and technical improvements.
- 8.3 Unless otherwise agreed in an individual case, the Supplier shall waive its right to be named as the creator within the context of the Outcomes achieved.
- 8.4 The Supplier undertakes to ensure – e.g. by means of corresponding agreements with those persons involved in creating the Outcomes – that the inventions or ideas arising during the performance of the services are transferred to Hoffmann at no additional cost to Hoffmann.
- 8.5 The Supplier shall contractually ensure in relation to its employees, freelance staff, and third parties (to the extent that it makes use of these when performing its services in compliance with 3.2), that Hoffmann has the rights under 8.1 and 8.2 exclusively and for an indefinite period, and that these rights shall not be affected by the termination of the contracts between the Supplier and the third parties. Otherwise, the Supplier shall compensate Hoffmann for all and any losses or expenses resulting from this, including the costs of an appropriate legal defence, and shall indemnify Hoffmann against third-party claims in this respect, unless the Supplier is not responsible for these.
- 8.6 The contractually agreed remuneration shall be deemed settlement for the granting of the rights described above.

## 9. DEFECTIVE DELIVERY

- 9.1 Our rights in the event that the goods have material defects or defects of title (including wrong or short deliveries and improper assembly or defective assembly or operating instructions) and in the event of other breaches of duty by the Seller are governed by the statutory provisions, unless otherwise specified below.
- 9.2 In accordance with the statutory provisions, the Seller is specifically liable for ensuring that the goods are of the agreed nature and quality when risk is transferred to us. The product descriptions that are the subject matter of the respective

contract – particularly through designation or reference in our order – or that were incorporated into the contract in the same way as these GTCs, are deemed to constitute an agreement as to nature and quality in each case. It makes no difference whether the product description originates from us, from the Seller, or from the manufacturer.

- 9.3 In derogation from the second sentence of Section 442 (1) BGB, we shall have an unrestricted entitlement entitled to claim for defects even if we remained unaware of the defect upon conclusion of the contract due to gross negligence.
- 9.4 The statutory provisions (Sections 377 and 381 of the German Commercial Code (HGB)) apply in respect of the commercial obligation to inspect and report defects, with the following proviso: Our obligation to inspect shall be restricted to defects that come to light upon external appraisal during our incoming goods inspection including the shipping documents (e.g. transport damage, wrong or short delivery), or that are revealed by means of a sampling procedure during our quality control. If formal acceptance is agreed, there is no obligation to inspect. For the rest, it depends on the extent to which an inspection is feasible in the normal course of business, with due regard to the circumstances of the individual case. Our obligation to report defects remains unaffected for defects discovered at a later point in time. Regardless of our obligation to inspect, our complaint (notice of defects) shall be deemed prompt and timely in any event if it is dispatched within 20 working days of discovery, or of delivery in the case of obvious defects.
- 9.5 Supplementary performance also includes the removal of the defective goods and their re-installation, if the goods have been incorporated into or attached to another item in accordance with their type and intended use. Our statutory claim to compensation of any corresponding expenditure remains unaffected. The necessary expenditure for testing and supplementary performance shall be borne by the Seller even if it transpires that there was in fact no defect. Our liability for compensation in the event of an unwarranted request to have a defect rectified remains unaffected; we shall only be liable in this respect if we were aware, or were not aware due to gross negligence, that there was no defect.
- 9.6 The following applies regardless of our statutory rights and the provisions in paragraph 5: Should the Seller not meet its obligation to render supplementary performance – either by rectifying the defect (repair) or by delivering a defect-free item (replacement delivery), at our option – within a reasonable grace period set by us, we may rectify the defect ourselves and demand reimbursement from the Seller for the necessary expenditure or a corresponding advance payment. If the supplementary performance by the Seller comes to nothing or is unreasonable for us (e.g. due to particular urgency, risk to operational safety, or the imminent occurrence of disproportionate damage), no grace period needs to be set; we shall inform the Seller of circumstances of this type without undue delay, and where possible, in advance.
- 9.7 For the rest, in the event of a material defect or defect of title, we are entitled under the statutory provisions to have a reduction in the purchase price or to rescind the contract. The statutory provisions additionally entitle us to claim compensation and reimbursement of expenses.

## 10. EXPORT CONTROLS & CUSTOMS

- 10.1 The Supplier must meet all requirements of the applicable national and international customs and foreign trade legislation.
- 10.2 Should the Supplier breach its obligations under paragraph 1, it shall bear all expenses and losses suffered by Hoffmann as a result, unless the Supplier is not responsible for the breach of obligations.

## 11. RECOURSE AGAINST SUPPLIERS

- 11.1 In addition to the claims for defects, we shall have unrestricted entitlement to our legally determined rights of recourse within a supply chain (recourse against suppliers pursuant to Sections 445a, 445b, and 478 BGB). We are entitled, in particular, to demand from the Seller the same type of supplementary performance (repair or replacement delivery) that we owe our customer in that individual case. Our statutory right to choose (Section 439 (1) BGB) is not restricted by this.
- 11.2 Before we acknowledge or fulfil a claim for defects asserted by our customer (including reimbursement of expenses pursuant to Section 445a (1) and Section 439 (2) and (3) BGB), we shall inform the Seller and, giving a brief account of the facts, ask for a written statement. If no substantiated statement is provided within a reasonable period and if no amicable solution is precipitated, the claim for defects effectively granted by us shall be deemed owing to our customer. In this event, it is incumbent upon the Supplier to provide proof to the contrary.
- 11.3 Our claims arising out of our recourse against suppliers shall apply even if the defective goods and/or services have been further processed by us or by another company, e.g. through their incorporation into another product.

## 12. LIMITATION PERIOD

- 12.1 The mutual claims of the contracting parties shall lapse in accordance with the statutory provisions, unless otherwise determined below.
- 12.2 The limitation periods of commercial law including the above extension shall apply – within the limits of the law – to all claims for defects. If we are also entitled to non-contractual compensation claims due to a defect, the regular statutory limitation period applies to this (Sections 195 and 199 BGB), unless the application of the limitation periods under commercial law results in a longer limitation period in an individual case.

## 13. COMPLIANCE

- 13.1 The Supplier undertakes to comply with all statutory provisions relevant to it as well as with the international standards of ethical behaviour. The [Code of Conduct for Suppliers](#) is part of the contract.
- 13.2 The Supplier undertakes to comply, with its deliveries, with the contractually agreed properties, technical data and other ancillary obligations, the applicable safety, accident prevention, and other technical regulations including regulations of technical associations, the statutory provisions in general, and the latest generally accepted engineering standards. The Supplier furthermore gives its assurance that the delivered goods and/or services rendered and their manufacture are not, through its fault, in breach of the statutory provisions in their country of origin (specifically the statutory provisions concerning environmental protection, safety, and occupational health and safety).
- 13.3 Hoffmann regards the offering of benefits to employees of Hoffmann as a breach of contractual or pre-contractual obligations. Within the context of its own organisation, the Supplier undertakes to observe the basic rights of its employees and to ensure their safety at the workplace. The Supplier shall observe the ban on child labour in accordance with the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.
- 13.4 Hoffmann may rescind or terminate the contract if the Supplier does not meet its obligations pursuant to paragraph 1. Other statutory or contractual rights to rescission and termination remain unaffected.

#### 14. CONSTRUCTION WORK

Parts B and C of the German Construction Tendering and Contract Regulations (VOB) apply in respect of construction or secondary construction work in place of these General Terms and Conditions of Purchase.

#### 15. APPLICABLE LAW AND JURISDICTION

- 15.1 These GTCs and the contractual relationship between us and the Seller shall be governed by the laws of the Federal Republic of Germany, to the exclusion of international uniform law, particularly the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 15.2 If the Seller is a merchant within the meaning of the German Commercial Code, a legal entity under public law or a special fund under public law, the sole place of jurisdiction (including at an international level) for all disputes arising from the contractual relationship shall be our registered office, as stated in the individual order. The same applies if the Seller is an entrepreneur within the meaning of Section 14 BGB. However, we also have the right in all cases to bring actions at the place of fulfilment of the delivery obligation pursuant to these GTCs or an overriding individual agreement, or at the general place of jurisdiction of the Seller. Overriding statutory provisions, particularly with regard to exclusive jurisdictions, remain unaffected.