

General Terms and Conditions of Sale of SHW AG ("SHW"), Stiewingstraße 111, D-73433 Aalen, and its affiliated companies pursuant to Section 15 AktG ("SHW Group"), as of February 2023

1 General - Scope of application

- 1.1 The legal relationship between the customer and SHW in connection with deliveries and/or services shall be governed exclusively by these General Terms and Conditions of Sale, unless otherwise agreed with the customer in writing. Any individual agreements between the customer and SHW shall take precedence over the provisions of these General Terms and Conditions of Sale.
- 1.2 Conflicting or deviating terms and conditions of the customer (in particular general terms and conditions of business or purchase) shall not apply even if SHW has not expressly objected to them in the individual case. These General Terms and Conditions of Sale shall also apply if SHW performs the delivery and/or service in the knowledge that the customer's terms and conditions conflict with or deviate from these General Terms and Conditions of Sale.
- 1.3 These General Terms and Conditions of Sale shall also apply to future deliveries and/or services by SHW until the validity of new General Terms and Conditions of Sale, even if no special reference is made to them in individual cases.

2 Conclusion and amendment of contract.

- 2.1 We shall only be bound by the customer's terms and conditions of purchase if we expressly recognize them in detail. A lack of objection shall in no case imply our consent.
- 2.2 Our offers are always subject to change. Orders placed with us shall only become binding for us upon our written confirmation. Amendments and cancellations of orders placed require our written consent.
- 2.3 Cancellations and suspensions of orders are only possible by mutual agreement. Any costs incurred shall be borne by the customer.
- 2.4 A withdrawal from the contract shall in any case only be possible as long as SHW has not yet taken any execution actions; in particular the start of development and/or production for a delivery as well as orders placed with suppliers for material, dies and the like shall be considered as execution actions.

3 Prices, terms of payment, securities.

- 3.1 All prices are net prices plus VAT at the applicable rate, unless we are exempt from VAT under the German Value Added Tax Act. Unless otherwise agreed, all prices are quoted ex works or ex works warehouse or ex shipping point, excluding the cost of any packaging, so that loading charges and connecting freight shall be borne by the freight payer. Shipment is always at the expense and risk of the recipient, even in the case of carriage paid deliveries. The prices valid on the day of delivery and the number of units or meters determined at the supplying plant shall be decisive for invoicing.
- 3.2 Unless otherwise agreed, our invoices are payable in cash without deduction within 30 days of the invoice date, in such a way that we can dispose of the invoice amounts on this day at the latest.
- 3.3 We reserve the right to demand security for the fulfillment of these payment obligations prior to shipment and to cancel the order in case of refusal, irrespective of the terms of payment agreed upon at the conclusion of the transaction. Costs incurred up to that point will be invoiced by SHW.
- 3.4 If the customer's financial situation deteriorates after conclusion of the contract, our claim shall become due for immediate payment even in the event of a deferral. This shall also apply in the event that bills of exchange or checks have been accepted.
- 3.5 In the event of non-compliance with the agreed payment obligations by the customer, we shall be entitled to withdraw from the contract without setting a grace period and to claim damages with regard to transactions not yet completed and in the case of successive delivery transactions. We are also always entitled to refuse delivery until the customer has fulfilled his obligations.
- 3.6 Default interest of 1% per month shall be charged for late payments and/or delays in delivery caused by the customer. Despite instructions to the contrary from the customer, we are entitled to offset incoming payments against older outstanding invoices first. We are entitled to offset the payment first against the costs, then against the interest and finally against the capital claim.
- 3.7 The annual quantities specified by the customer shall be complied with and called off with a permissible fluctuation of +/-10% p.a.. In the event of non-compliance with the call-off volumes (months and/or year) SHW shall be entitled to claim compensation for raw material, semi-finished and finished parts in stock and on order, as well as for unused resources for machines and personnel reserved for the customer on the basis of the annual forecast.

4 Group accounting.

- 4.1 We shall be entitled to set off all claims to which we are entitled against the customer against all claims to which the customer is entitled against us or a company of the SHW AG Group, Stiewingstraße 111, D-73433 Aalen, irrespective of the legal grounds and title.

5 Retention of title.

- 5.1 Securing the purchase price claim is one of the main points of the contract.
- 5.2 All delivered goods shall remain the property (reserved goods) of SHW until all claims, in particular also the respective balance claims to which we are entitled, irrespective of the legal grounds. This shall apply irrespective of whether payments have been made on specially designated claims.
- 5.3 In the event of processing, combining and mixing of the reserved goods with other goods by the customer, we shall be entitled to co-ownership of the new item in the ratio of the invoice value of the reserved goods to the invoice value of the other goods used, and shall store them for us free of charge. Our co-ownership rights shall be deemed to be reserved goods within the meaning of clause 5.2.
- 5.4 The customer may only resell the goods subject to retention of title in the ordinary course of business at his normal terms and conditions and as long as he is not in default, provided that he agrees a retention of title with his customer and that the claims from the resale are transferred to us on account of payment in accordance with Clauses 5.4 to 5.6. In the event of resale, our retention of title shall only expire upon payment of the purchase price by the customer's buyer. The purchaser is not entitled to dispose of the reserved goods in any other way.
- 5.5 The customer's claims arising from the resale of the goods subject to retention of title are hereby assigned to us on account of payment. They shall serve as security to the same extent as the reserved goods. To secure this assignment, the customer is obliged to make a book entry in his open items list or we are entitled to notify the third party debtor. The customer must grant us access to the books for verification purposes.
- 5.6 If the goods subject to retention of title are sold by the customer together with other goods not sold by us, the assignment of the claim from the resale shall only apply to the amount of our invoice value of the goods subject to retention of title sold in each case.
- 5.7 If the reserved goods are used by the customer to fulfill a contract for work and services or a contract for work and materials, Sections 5.4 and 5.5 shall apply accordingly to the claims arising from this contract.
- 5.8 SHW shall be entitled to return all components without stating any further reasons until the claim(s) has/have been fulfilled. The costs incurred by SHW in connection with the return shall be invoiced separately to the customer.

6 Delivery periods, delivery dates.

- 6.1 The stated delivery periods and dates are subject to change, i.e. without legal obligation. Claims for damages of any kind and appeals to delivery deadlines are therefore excluded. The customer is not entitled to reject partial deliveries.
- 6.2 Notwithstanding clause 6.1, the delivery periods shall commence on the date of our order confirmation, but not before all details of the order have been fully clarified and the necessary domestic and foreign certificates have been provided. Compliance with the delivery periods and dates shall be determined by the time at which the goods are made available for collection or handed over to the forwarding agent/carrier ex works, whereby the time at which the goods are made available shall be deemed to be the time at which they are handed over. They shall be deemed to have been met upon notification of readiness for dispatch if the goods cannot be dispatched on time through no fault of our own. The delivery periods shall be extended - without prejudice to our rights arising from default on the part of the customer - by the period by which the customer is in default with its obligations to us arising from this or other contracts. This applies accordingly to delivery dates.
- 6.3 Section 6.2 shall also apply if delivery periods and dates have been expressly agreed as fixed.
- 6.4 In cases of force majeure, the delivery periods shall be extended or delivery dates postponed accordingly. Cases of force majeure shall also include labor disputes in our own and other companies, transport delays, machine breakdown, sovereign measures and other unusual circumstances or circumstances for which we are not responsible. We shall notify our customer of the force majeure event without delay. The customer shall be entitled to withdraw from the contract at the earliest six weeks after receipt of our notification.
- 6.5 If acceptance has been agreed, it can only take place at the supplying plant immediately after notification of readiness for acceptance. The personal acceptance costs shall be borne by the customer, the material acceptance costs shall be charged according to our price list. If acceptance does not take place, does not take place in full or does not take place on time, we are entitled to dispatch the goods without acceptance or to store them at the customer's risk and expense. Upon dispatch or storage, the goods shall be deemed to have been handed over in accordance with the contract in every respect.

7 Dimension, weight, quality.

7.1 Deviations in dimensions, weight, quality and other quality features are permissible within the scope of the agreed standard, e.g. EN, DIN etc. or the applicable practice.

8 Shipping, packaging and transfer of risk.

8.1 Unless otherwise agreed, deliveries shall always be made FCA location of the contracting SHW company according to INCOTERMS 2020. If SHW undertakes the shipment and/or transport contrary to the agreed INCOTERMS, this shall be exclusively at the expense and risk of the customer. The selection of a suitable means of transportation, forwarding agent or carrier as well as a suitable shipping route shall be made by SHW. To the extent permitted by law, SHW shall not assume any liability for the selection made.

8.2 If the loading or transportation of the goods is delayed for a reason for which the customer is responsible, we shall be entitled to store the goods at the customer's expense and risk at our reasonable discretion, to take all measures deemed appropriate to preserve the goods and to invoice the goods as delivered. The statutory provisions on default of acceptance shall remain unaffected.

8.3 In the event of transport damage, the customer must immediately arrange for a report to be made to the responsible authorities.

8.4 Packaging costs will be charged separately, no compensation will be paid for returns.

8.5 If customs duties and equivalent charges are levied, they shall be borne by the customer.

9 Quality.

9.1 The quality values stated in the order confirmation are decisive for the execution of the order. In cases of doubt, the provisions of the relevant industry standards shall always be decisive for the assessment of quality and execution.

9.2 The customer shall ensure complete traceability of our goods or components and/or systems. If the customer demands a clear serial number identification from SHW, he shall be obliged to affix it to the same extent, otherwise SHW shall reject all costs in connection therewith, such as sorting costs etc. plus any further claims for damages. This applies in particular to safety-relevant components and/or systems, the defectiveness or failure of which may pose an immediate danger to life and limb.

10 Acceptance and testing.

10.1 The buyer is free to have the goods accepted by us for his account. We shall only be obliged to notify the Buyer of the time of dispatch in advance if the Buyer informs us when placing the order that he wishes to accept the goods from us before dispatch. If acceptance does not take place in good time before the intended time of dispatch, the goods shall be dispatched without acceptance.

An acceptance of goods intended on the basis of special quality regulations requires an express and written special agreement at the time of conclusion of the transaction and must take place at the latest within 14 days of receipt of the notification of readiness for acceptance of the goods from our works or at the expense of the customer in a domestic state testing institute. After expiry of this period, the right to take delivery of the goods can no longer be asserted on the basis of special quality regulations. If the goods are accepted, they shall be deemed to have been approved and any liability on our part shall lapse, even with regard to defects that were not detected, insofar as such defects could have been seen or detected upon acceptance.

11 Deficiency claims.

11.1 Decisive for the contractual condition of the goods is the time at which they leave the factory or warehouse. The contractual conformity and freedom from defects of our goods shall be measured exclusively in accordance with the express agreements on the quality and quantity of the goods ordered.

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Notification of defects by the customer must be received by us in writing within 14 days of receipt of the goods at the place of destination. Defects that cannot be discovered within this period even with suitable, professional and careful inspection (hidden defects) must be reported immediately after discovery, but no later than three months after receipt of the goods. After expiry of this period, liability of any kind whatsoever for defects, for whatever reason and whatever title, is excluded. After the customer has carried out an agreed acceptance of the goods, the notification of defects that were detectable during the acceptance is excluded.

11.3 Complaints regarding dimensions and weight must be made in writing within 15 days of delivery in accordance with 6.2, enclosing suitable documentation (report by an internationally recognized surveyor).

11.4 The customer always bears the burden of proof and must ensure that the goods are still in the same condition as at the time of delivery. The applicability of the rules on the reversal of the burden of proof in connection with warranty and compensation is waived.

11.5 Warranty obligations do not apply in particular if the defect is due to normal wear and tear, improper storage or handling, unusual environmental influences, inadequate maintenance or transport damage. The warranty does not apply to racing and development parts.

11.6 We make no warranties or other no-fault or no-cause representations with respect to orders and our products, unless expressly and specifically labeled as a "warranty".

11.7 Complaint costs charged by the customer without justification or without prior agreement will not be accepted and rejected by SHW.

12 Liability.

12.1 Our liability shall be governed exclusively by these terms and conditions. Claims for damages due to slight negligence, non-performance or delayed performance, negligent or grossly negligent breach of secondary contractual obligations, in particular consulting and information obligations, are excluded. Furthermore, compensation for any indirect damage or consequential damage caused by a defect or compensation for loss of profit is excluded. Under no circumstances shall we be liable for the fault of sub-suppliers or other companies that we use for performance.

12.2 Liability for claims of any kind is limited to the total amount of benefits from our business liability insurance, and in addition, in the event of a breach of contractual obligations, to the material value of the (partial) delivery that caused the damage.

12.3 The above limitations of liability do not apply to personal injury; claims for personal injury or damage to privately used items under the Product Liability Act remain unaffected.

12.4 Under no circumstances can preliminary negotiations lead to claims for damages against us. Claims arising from *culpa in contrahendo* are excluded. Liability for advertising statements is excluded. Promises shall only be deemed to have been made if they are expressly accepted in the order confirmation. Our employees, agents and other persons are not authorized to verbally waive these General Terms and Conditions of Sale or to conclude other verbal contracts.

13 Other.

13.1 All regulations and remarks made by the customer which are not consistent with these General Terms and Conditions of Sale shall only be binding on us if we expressly confirm them in writing and shall only apply to the transaction for which they were agreed. Lack of objection or silence shall in no case imply our consent.

13.2 We are entitled to make partial deliveries. The customer shall not bear the additional costs incurred by us if we are responsible for their occurrence. The price remains unaffected. Each partial delivery shall be deemed an independent transaction.

13.3 Development services are subcomponents of an overarching overall project in which SHW assumes the comprehensive project management, development and control function in all project areas and development stages from both a technical and organizational perspective. Therefore, these are in-house research services and thus represent research expenses eligible for a premium at SHW.

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- 13.4 The customer shall inform SHW immediately and prior to conclusion of the contract about export restrictions or requirements and about military or dual-use applications and is obliged to disclose the ECCN (Export Control Classification Number). Should export licenses be required, our order restrictions are always dependent on the granting of (export) licenses by the German authorities.
- 13.5 It is agreed that German law shall apply exclusively, to the exclusion of all conflict of laws and reference provisions as well as the UN Sales Convention (the applicability of the United Nations Convention on Contracts for the International Sale of Goods) and other UNICITRAL sales law. Companies of the SHW Group with their registered office outside Germany shall have the right to agree on the exclusive application of the law of the country of their registered office as an alternative to the application of German law, which shall be communicated to the customer.
- 13.6 For all disputes arising from the business relationship between us and the customer with regard to validity, conclusion, interpretation, etc., the competent court in Aalen, Germany, shall have exclusive jurisdiction for all customers domiciled in the EU, the EEA or Switzerland.
For the settlement of disputes between companies of the SHW Group which do not have their registered office in Germany, but in the EU, the EEA or Switzerland, and the customer, it may be agreed that the court with local jurisdiction for the registered office of the respective company of the SHW Group shall have exclusive jurisdiction, which shall be communicated to the customer.

For the settlement of disputes with customers of the SHW Group who are not domiciled in the EU, the EEA or Switzerland, the following shall apply: All disputes arising out of or in connection with this contract shall be finally settled under the Rules of Arbitration (ICC Rules) of the International Chamber of Commerce (ICC) by one or more arbitrators appointed in accordance with these Rules. The provisions on emergency arbitration shall not apply. The language of arbitration shall be German. The place of arbitration shall be Aalen, Germany.

SHW has the unilateral option to initiate legal proceedings at a court having subject-matter jurisdiction at the customer's place of business and thus to suspend the applicability of the jurisdiction clause or arbitration clause.

In all these cases, the parties are at liberty to apply to a competent court for interim relief.

- 13.7 Should individual provisions of these Terms and Conditions of Sale be invalid in whole or in part, all other provisions of these Terms and Conditions of Sale shall remain valid. The provision that comes closest to the intentions of the parties without being invalid shall be deemed to have been agreed. The same applies to contractual loopholes.
- 13.8 Deviations from these terms and conditions are only valid if they are negotiated in detail in writing.