

## **GENERAL PROCUREMENT CONDITIONS ("Conditions")**

### **General clause**

These Conditions are applicable to all purchases by Puratos and are considered to be explicitly accepted by the supplier with exclusion of its own sales conditions by (i) providing a quotation/offer to Puratos or (ii) execution of Puratos' purchase order even if the supplier's terms and conditions are communicated before or after communication of these Conditions.

Any deviation from these Conditions requires the prior explicit approval in writing of Puratos, and shall be interpreted restrictively.

In case of contradictions in the contractual basis the following order of precedence shall apply: (i) special agreements, if confirmed by Puratos in writing, (ii) these Conditions (as well as the conditions referred to in these Conditions), (iii) legal provisions.

### **Acknowledgement of receipt of the order**

1. Only written purchase orders are binding upon Puratos. The supplier shall confirm the purchase order within two working days from the receipt thereof. The terms of the purchase order are binding upon the supplier as from such confirmation. Puratos has the right to cancel or change its orders until confirmation thereof by the supplier. In absence of any explicit confirmation by the supplier, a purchase order shall be deemed to be accepted. The supplier shall take all reasonable efforts to accommodate any request of Puratos to change a confirmed purchase order.

2. Offers from the supplier are binding upon the supplier from the time of receipt by Puratos. Puratos may accept within a period of two weeks (binding period) by a written confirmation of the offer/purchase order. Puratos' silence shall not be construed as acceptance. Puratos reserves the right, in its sole discretion, to accept offers of the supplier only in part, if it is divisible; in this case, the order shall only be concluded to the extent of the part accepted by Puratos in writing, without any claims arising for the supplier.

3. If a good or component is manufactured based on information provided by Puratos, the supplier must inform Puratos without delay if this information is obviously incorrect or leads to obviously undesirable results. The supplier is liable for the omission of this notification.

### **Product specification and analysis**

1. Product specifications of Puratos are to be complied with. In the event of changes of any kind, the supplier is obliged to provide information in writing to Puratos at least four weeks prior to any production. Changes require the written approval of Puratos.

2. Prior to delivery, the supplier shall provide Puratos (i) with batch-related analyses in accordance with Puratos' product specifications from an accredited laboratory for verification and release, (ii) with a sample from the batch for inspection and approval in advance. Only one batch number may be specified per certificate of analysis, which is actually delivered. Should the analysis certificate

show more than one batch number, Puratos reserves the right to commission analyses itself in order to be able to assign the measured values in question.

3. Unless otherwise agreed, the best-before date must not be less than 12 months. At the time of delivery the remaining time of the best-before date must not be less than 66%.

## **Delivery**

1. The supplier warrants that the deliverables (being goods, services, or other materials delivered by the supplier) comply with (i) the specifications mentioned on the purchase order and any product specifications of Puratos, (ii) any terms and conditions expressly agreed with the supplier in writing and (iii) the applicable laws and legislation, such as without being limited thereto any applicable laws, regulations, prescription, rule policy concerning safety, security and hygiene (whether or not provided by Puratos to supplier). In addition, the supplier represents and warrants that the deliverables are (i) fit for its intended use and (ii) human consumption applications.

2. The term of delivery mentioned on the purchase order is binding for the supplier. Unless otherwise agreed delivery shall take place DDP (Incoterms® 2020). In case of delay, Puratos reserves the right, at its sole discretion, to (i) cancel the order at the expense of the supplier and obtain reimbursement of the incurred damages, costs and expenses, or (ii) claim a lump sum fee for the compensation of the incurred damages equal to 2 % of the total value of the order for each started week of delay until the day of delivery of the order. The maximum contractual penalty is 10% of the total value of the order. Puratos has the right to claim higher compensation if it proves that the incurred damages, costs and expenses are higher. Any such compensation will be deducted from any payment due to the supplier.

3. All shipment documents will refer to the purchase order.

4. Except in case of urgent delivery, deliveries must take place during the normal working days and hours of Puratos. Puratos may refuse any delivery outside these days and hours.

5. Puratos does not accept partial deliveries, except if otherwise priorly agreed upon in writing or in case of force majeure.

6. In the case of framework agreements, the contract describes a period in which delivery call-offs will be made at the agreed conditions. Separate delivery dates are fixed by Puratos on the basis of individual call-off orders. The delivery time for these call-off orders is agreed to be 5 days upon the call-off order.

7. Puratos is entitled to claim any defect of/in the deliverables, whether visible or hidden, at any time after delivery thereof. Therefore § 377 UGB is not applicable. The supplier has to prove that the deliverables comply with the specifications mentioned on the purchase order or any product specifications of Puratos. Deliverables are considered to be defective if they do not comply with the Conditions set forth under number 1 of this article. All complaints concerning defects shall be submitted by Puratos within a reasonable time of such defect having been determined by Puratos. Payment of invoices, signature of any document at the moment of delivery or use of the goods, shall only be

considered as acceptance of the delivery but never as an acceptance of the compliance of the deliverables. Puratos may, at its sole discretion, request re-work, repair or replacement to remedy the defect. Puratos also reserves the right to refuse the deliveries as long as supplier does not show it is fully compliant.

## **Packaging**

Unless otherwise agreed Puratos only accepts delivery in neutral packaging and the supplier is obliged to deliver the goods on Euro pallets in mint condition. The maximum pallet height is 1.45m. Each package must contain EAN code 128.

According to the IFS standard, appropriate supports must be used between pallets to avoid contamination. Any contamination is the responsibility of the supplier.

## **Price – Invoicing - Payment**

1. Unless otherwise agreed in writing, prices shall be DDP (Incoterms® 2020) at the place specified by Puratos. Prices are fixed in the purchase order and can only be revised with prior written consent of Puratos.
2. The invoices will contain the references to the purchase order.
3. Each delivery will be invoiced separately, unless otherwise agreed in writing.
4. All payments will be carried out in euro by bank transfer, 60 days end of the month after receipt of the invoice by Puratos. Puratos has the right to compensate the amounts due to supplier with the amounts due by supplier to Puratos (if any).

## **Confidentiality**

The supplier shall keep any technical, business, financial or commercial information (in whatever form) obtained in the framework of the purchase order (in whatever way) strictly confidential and secret during the execution of the purchase order and 10 years following termination/expiration thereof. The supplier shall (i) only use this information in the framework of the execution of the purchase order, (ii) not, in any way or at any time, disclose, directly or indirectly, the said information to any third party and (iii) only disclose this information within its own organization on a strict need to know basis for the execution of the purchase order to people who are bound by a identical or similar confidentiality obligation.

The supplier shall promptly return to Puratos, upon its first request thereto and in any case at the expiry/termination of the purchase order, all documents containing all or part of the confidential information, including all copies, notes summaries, extracts, etc..., and the supplier will not retain any copies thereof unless required by applicable law. The supplier shall destroy such information and provide Puratos evidence thereof upon request thereto of Puratos.

Puratos shall have the right to forthwith terminate the execution of the purchase order without any obligation for compensation, in case of non-compliance by supplier with this confidentiality obligation.

## **Intellectual property rights**

Puratos is and shall remain the exclusive owner of all intellectual property rights (including know-how and trade secrets) vested in its confidential information, products, technologies, formula's, production and other processes, software, data, material or any other of Puratos intellectual property rights made available to the supplier. The supplier shall only be entitled to use such intellectual property rights and confidential information, products, technologies, formula's, production and other processes, software, data, material, etc. if and to the extent necessary to execute Puratos' purchase order. Unless otherwise agreed in writing, each party shall remain the owner of its intellectual property rights already existing at the entry into force of these Conditions. Puratos shall become as from their creation the sole owner of all rights (worldwide) in (i) any deliverables that are specifically produced and/or developed by or on behalf of the supplier for Puratos, and/or (ii) any developments, improvements or derivatives containing, based on, related to or inspired by Puratos' confidential information, products, technologies, processes, software, data, material and/or Puratos' above intellectual property rights relating thereto

**Audit**

1. Puratos is entitled to conduct, or instruct an external party to conduct, an audit at all times at the supplier's premises to check whether the supplier complies with these Conditions. To this end the supplier shall give Puratos and/or the third party appointed by Puratos all the cooperation, information, access, contact and verification options Puratos may reasonably need for the audit.

2. Puratos will provide an audit report to the supplier. Such report will contain all findings of Puratos' audit, including defects, faults, shortcomings, problems or abnormalities found in the supplier's organisation, production system or regarding the safety, hygiene and/or quality of the deliverables. Within 30 days following receipt of this report, the supplier shall submit a plan for improvement actions to Puratos. The supplier shall take Puratos' comments regarding this plan into account and parties shall then agree to implement the necessary actions within a reasonable time frame.

3. In case an audit reveals that the supplier does not meet the requirements set out in these Conditions, the supplier will pay Puratos for the costs incurred for the audit. Furthermore, Puratos is entitled to purchase the relevant deliverables from a third party or take adequate measures (or instruct a third party to take adequate measures) at the expense of the supplier until and as long as the supplier proves is fully in compliance with the Conditions. Additional costs incurred and losses suffered by Puratos will be payable by the supplier.

4. The supplier is obliged to update the documents which he has provided to Puratos (e.g. supplier's self-disclosure) after expiry of the validity and to send them to Puratos independently.

**(Product) Liability**

1. The supplier shall indemnify and hold Puratos harmless against all damages, costs and expenses incurred by Puratos resulting from (i) noncompliance with the Conditions or (ii) deliverables being defective.

2. The supplier is liable within the scope of the law (including the product liability provisions) for damage caused by him (or persons attributable to him) or by the deliverables. The supplier is liable for its subcontractors as well as for its suppliers as for itself, irrespective of the respective influence on the provision of the delivery and service. Limitations of liability are not agreed. Insofar as Puratos is held liable by third parties due to the defectiveness of the supplier's deliveries within the scope of national/international product liability laws, the supplier shall indemnify and hold Puratos harmless in this respect. Regardless of the specific fault, the supplier must prove that he is not responsible for the damage caused by him or the delivered product and that the deliverables comply with the specifications mentioned on the purchase order or any product specifications of Puratos.

3. In the case that Puratos should become liable for warranty or damages, Puratos has

the right to claim warranty or damages from the supplier within two year after fulfillment of the own warranty claims/damages. 4. The supplier shall have an insurance covering its (product) liability under these Conditions and provide an insurance certificate thereof to Puratos at the latter's request. Termination 1. Puratos has the right to terminate a purchase contract, without any obligation for compensation, subject to sending a notification in this respect to the supplier, if (i) the supplier does not comply with its obligations stated before under the section product specification and analysis (ii) the supplier does not meet its obligations under the purchase order or the individually concluded contract and (if curable) does not cure such non-compliance within a period of 30 calendar days, or (iii) if the supplier is declared insolvent or applied for or obtained any kind of protection against its creditors, or (iv) if all or part of supplier's business activities, shares or assets is transferred to a third party without the written approval of Puratos or (v) if the circumstances at Puratos (or its third contracting partners) that hinder, delay, temporarily make senseless or impossible the acceptance of delivery last longer than a period of 30 calendar days. 2. In the case of framework agreements, standing orders or successive supply agreements, Puratos reserves the right to terminate the framework agreements, standing orders or successive supply agreements with due notice no later than 30 days before an upcoming delivery. 3. The statutory right of any party to forthwith terminate a contract for good cause remains unaffected by this. Force Majeure Neither Party shall be under any liability of whatsoever kind for non-performance in whole or in part of its obligations due to Force Majeure. "Force Majeure" means an exceptional event or circumstance which (i) is beyond a Party's control, (ii) such Party could not reasonably have foreseen before entering into the Agreements, (iii) such Party could not reasonably have avoided to overcome, (iv) is not attributable to such Party and (v) prevents such Party to execute its obligations under the Agreements. Force majeure does not include events that merely make execution more difficult or demanding than initially envisaged. The failing party shall (i) inform the other party about the Force Majeure event and the consequences thereof to its obligations without delay and (ii) take all reasonable efforts to minimize the consequences of such Force Majeure event. If the Force Majeure event lasts for a period longer than a reasonable period, either party is entitled to cancel the relevant order with immediate effect without any obligation for compensation. Applicable law – jurisdiction All legal transactions between Puratos and the supplier, especially those subject to these Conditions, are exclusively subject to Austrian law, to the exclusion of any choice-of-law or conflict-of-law rules or provisions, that means also to the exclusion of the UN Convention on Contracts for the International Sale of Goods. Place of jurisdiction for all disputes resulting from or in connection with the legal relationship between Puratos and the supplier shall be the relevant court in Wels, Austria. However, Puratos is entitled to sue the supplier also at any other court which may be competent according to national or international law, especially at the court at the supplier's domicile. Miscellaneous If one or more provisions of these Conditions are found to be invalid, illegal or unenforceable, in whole or in part, the remainder of that provision and of the Conditions shall remain in full force and effect.