



General Purchasing Terms and Conditions

1. General

Our orders are based solely on these terms and conditions and any separate existing agreements; we do not accept any Terms and Conditions that are contrary to or differ from these Terms and Conditions unless we have expressly agreed to such Terms and Conditions in writing. These Terms and Conditions also apply if we accept the ordered delivery/service without reservation with the knowledge that the Supplier's Terms and Conditions are contrary to or differ from our Terms and Conditions. Furthermore, these Terms and Conditions apply to all future business transactions with the Supplier.

2. Purchase Order, Conclusion of Contract, Power of Representation

(1) If you do not provide written confirmation of our order within 10 workdays after receipt, we are entitled to cancel the order.

(2) All correspondence must contain our order number for referencing purposes.

(3) Only orders placed in writing are legally binding. Orders placed verbally must be confirmed in writing by our Purchasing Department to be deemed valid. After prior written agreement, this can be carried out either through remote data transmission or machine-readable data mediums.

All agreements concluded between the Contracting Parties in connection with an order until the conclusion of the contract are documented on the order form. No oral agreements exist.

Agreements on subsequent changes or additions may only be made in agreement with our Purchasing Department. Other departments are not authorised to make changes or additions. Our Purchasing Department must confirm in writing any agreements made with other departments; otherwise, such agreements are deemed invalid.

(4) All offers you provide to us are free of charge.

3. Confidentiality, Advertising

(1) You agree to maintain the confidentiality of all technical, economic, and other data and information, provided such information is not evident or commonly known to the public, resulting from or in connection with our business relationship. This confidentiality obligation will remain in effect after the termination of the business relationship. Disclosure of this information and data is only permitted for the performance of our order. Furthermore, this information and data will be accessible only to employees, subcontractors, and other third parties whose involvement is required to fulfil our order according to your operational circumstances. These employees are obligated to maintain confidentiality accordingly; the same applies to any subcontractor or other third party you commission to fulfil our order.

(2) You may only make reference of your business connections with us to third parties or in advertising materials if we have provided our written consent.

4. Design documents/data

(1) We reserve the property rights and copyrights to illustrations, drawings, calculations, and other documents, such as models and samples; third parties may not be provided access to said items without our express written consent. Such documentation is to be used exclusively for the manufacturing of items based on our order and must be returned to us without request after completion of the order and without retaining any right of retention; you agree to maintain the confidentiality of such documentation towards parties; Clause 3 Paragraph (1) applies accordingly.

(2) You may not use products manufactured per our specifications, drawings, models, or similar, nor may they be offered or supplied to third parties.

(3) When carrying out the order, you must adhere to the drawings, descriptions, calculations, and other documents appurtenant to the order; however, you must review said items for any deficiencies, inconsistencies, or errors before fulfilling your contractual performance. Written notification of any deficiencies, discrepancies, or errors must be provided to us immediately. Furthermore, you are responsible for ensuring you are familiar with all documentation, data and information relevant to fulfil your contractually agreed delivery or service and our intended use. In the event of a breach of the obligations mentioned above, you may not base such a breach on the absence of this documentation, data, information, existing deficiencies, discrepancies, or errors. Further claims on our part arising from such breaches remain unaffected.

5. Prices and payment terms

(1) The agreed prices are fixed prices. All subsequent claims are precluded. These prices include costs for packaging and transport to the agreed upon/our designated forwarding address or place of use and customs clearance and insurance fees. The method of pricing does not affect the agreed place of performance.

(2) Invoices are to be forwarded to us separately in duplicate, indicating the VAT statement including the complete order number after delivery has been made. At the earliest, the agreed purchase prices are due for payment once we have received an invoice that meets the statutory requirements. Payment is to be made according to standard business practices, either within 30 days with a 3% cash discount, within 60 days with a 2% cash discount, or after 90 days strictly net. It is to be calculated from the date of delivery or performance of service per the contract, receipt of the invoice and forwarding of the documentation per Paragraph (3), whereby the most recent occurring event will be used for determining the deadline for the payment. We are entitled to withhold total payment for claims arising from defective or partial deliveries until proper performance has been fulfilled.

(3) Any agreed material test certificates, inspection reports, or other documentation are an integral component of the delivery and must be sent to us separately from the invoices.

Where possible, the documentation must also be sent separately from the delivered goods; they must always be packaged separately.

(4) Our payments do not indicate an acknowledgement of the fulfillment of performance nor do they waive our warranty rights.



6. Delivery and Shipment

- (1) We only accept the quantities or numbers of items we ordered; this also applies to products specially manufactured for us ("special"). Delivery or higher or lower quantities are only permissible after obtaining our prior written consent.
- (2) Advance and partial deliveries require written request and approval from our Purchasing Department. Sample deliveries are to be labelled as such.
- (3) Shipment is carried out at your risk. In the case of purchase agreements, the risk is transferred to us upon confirmation that the goods have been received at our designated delivery site. The transfer of risk in the case of service contracts and or contracts for labour and materials follows at the earliest upon fulfillment of the entire order and our acceptance, even if the parts from your required to carry out the order are stored on our premises or at our designated delivery site.
- (4) We will accept the delivery only if the appurtenant delivery note is included in the delivery.
- (5) Each order is to be packaged individually.
- (6) Deliveries of goods must be made exclusively on workdays (Monday through Friday) from 7:00 a.m. to 3:00 p.m.

7. Packaging

The goods are to be packaged using environmentally-friendly packaging, protecting against transport damage. Packaging materials are to be limited to the extent necessary to achieve this objective.

8. Delivery / Service Periods

- (1) The agreed dates for deliveries or services are binding. Deliveries are deemed on time based on the time the goods are received at the our designated delivery site or place of use; whether deliveries involving installation or assembly and services are deemed on time is determined by their acceptance and receipt of the documentation. A change in the delivery date differing from Clause 2 Paragraph (3) without a corresponding agreement with our Purchasing Department does not preclude the occurrence of default of the originally agreed delivery date.
- (2) If you become aware that, for any reason, an agreed deadline cannot be met, you must submit written notification to our Purchasing Department immediately, indicating the reasons and the approximate duration of the delay.
- (3) In the absence of an agreed delivery deadline, you must provide the service within two weeks from the order date. You may provide information indicating that an extended delivery period necessary.

9. Force Majeure and Labour Dispute

- (1) Force majeure and labour disputes within our company release us from the acceptance and payment obligation for the duration of the disturbance and to the extent of their effects. We do not assume any liability for performance disturbances or damage resulting from force majeure or labour disputes within our company.
- (2) We are released from the obligation to accept the ordered delivery or service in whole or in part and entitled to rescission if we can no longer use the service or delivery due to the delay caused by force majeure or the labour dispute.

10. Execution and Compulsory Provisions

- (1) You guarantee, irrespective of culpability, that all deliveries or services are suitable for our intended use and proper, safe, and economical use. Furthermore, you guarantee, irrespective of fault, that all deliveries and services use state-of-the-art technology and comply with the applicable legal provisions and regulations, directives, and standards set forth by public authorities, trade associations, and professional associations in their most recent valid versions. Your guarantee also applies to all corresponding provisions in the country of the end-user insofar as you are or should be familiar with such provisions. If your product requires a Declaration of Conformity with CE marking or a Declaration of Incorporation in accordance with EC Machinery Directive 2006/42/EC, a copy of the risk assessment carried out per the EU standard is automatically component of our order. When performing services, you are required to observe all relevant statutory provisions and regulations, in particular, those regarding environmental protection, hazardous goods, and accident prevention; furthermore, you must ensure reliability in the supply chain per the applicable customs regulations and comply with our required generally recognised safety-related rules and specifications. Any additional agreements shall not affect these obligations. If specific cases require deviations from the regulations mentioned above, you must obtain written consent from our Purchasing Department. Should you have concerns regarding our requested implementation method, you must notify us immediately in writing. Furthermore, you are obligated to instruct us on the measures required for integrating your product.
- (2) You agree to use eco-friendly and environmentally sound products and methods with respect to your deliveries and services and deliveries or ancillary services provided by third parties within economic and technical capabilities.
- (3) You are liable for the environmental sustainability of the products and packaging materials supplied and for any subsequent damage caused by the breach of your legal obligations for waste disposal. At our request, you will issue a certificate of inspection for the delivered goods.
- (4) Paint work must be carried out with a base coat and finishing coat; both paints must consist of two-component paint and be resistant long-term to cooling lubricants, oils, oil removing agents, and similar agents. Running surfaces, untreated components, rating plates on components, hoses, plastic parts and similar must not be painted.
- (5) If it is necessary to conduct works on our premises in connection with your delivery or service, the following applies: If work associated with fire hazards and/or environmental hazards, e.g., welding and/or chemically hazardous work, must be conducted on our premises on or near systems with a potential risk for fire and/or explosions such as oil tanks, cable installations, etc., such works may only be carried out with the consent of the responsible Works Manager. Unless otherwise agreed, you agree to provide a trained fireguard. Follow-up inspections must be carried out after the work is completed. This also applies to work involving disassembly and scrapping.
- (6) The Supplier ensures the products, equipment, machinery, services ordered also utilise state-of-the-art technology in terms of safety, environmental and energy-related aspects. Apart from economic aspects, the energy efficiency of the products, equipment, and services provided are decisive factors when placing our orders.



11. Occupational Health and Safety

By accepting our order, you confirm that you and your employees and, where applicable, your commissioned subcontractors fully observe and comply with the Nagel Occupational Health and Safety Regulations, including all the appurtenant legal requirements and directives, when carrying out the agreed services on our premises. You, your employees, and your commissioned subcontractors also fully observe and comply with the respective safety regulations of our end customers from the currently valid regulations of our end customers when carrying out the agreed services on their premises.

12. Investigation of Defects and Notification of Defects

(1) We agree to notify you immediately in writing of evident defects in the delivered items as soon as they are determined in the ordinary course of business; however, at the latest within 10 workdays after we receive the delivery at our site. Sending the complaint is sufficient to ensure the deadline.

(2) You are required to reimburse any costs incurred for examining a defective delivery or service.

(3) Signing a delivery note for the delivered goods does not constitute acknowledgement regarding quantities, weights, or dimensions or that the delivery or service fulfills the contract.

13. Non-conforming Delivery or Service

(1) If you fail to properly fulfil a contractual obligation per the respective agreements or legal requirements, we are entitled to legal claims without restriction. This applies in particular if the service owed is not rendered, defective, or not rendered in due time.

(2) If the delivery or service is defective, we are entitled to request that you, at our discretion, either remedy the defect or deliver a new item. We reserve the explicit right to claim compensation for damage incurred, in particular, compensation for damages instead of the performance of service.

(3) Irrespective of the rights stipulated under Paragraph (2), we are authorised to correct the defects ourselves or have them corrected by a third party at your expense and risk should you fail to fulfil your obligation to correct the defect within a reasonable period set by us or should imminent danger or a particular need for urgency exist.

(4) The period of limitation for defect claims begins upon the date of acceptance by our end user specified in our written declaration of acceptance and corresponds to the period for which we are required to provide a warranty to our end user. If our declaration of acceptance does not make any reference to the end-user or the duration of our warranty period, the period of limitation begins when the delivery item is supplied to us or the third party specified by us at our designated delivery site or place of use and extends for a duration of three years. If acceptance is delayed for reasons beyond your control, the warranty period begins when the delivery item is made available for acceptance.

(5) The limitation period expiration for defect claims will be suspended during the period from notification of the defect until the delivery part is free from defects. The warranty period for repaired or replaced parts begins anew from the date of repair or delivery.

(6) If the agreed delivery date cannot be met due to a circumstance beyond your control, in absence of a successful outcome after a reasonable grace period set by us, we are entitled, at our discretion, to claim compensation for damages instead of performance of the service, obtain a replacement from a third party at your expense or to rescind the contract in whole or in part.

(7) You may only make a claim based on the absence of necessary documents to be supplied by us if you have issued a written reminder requesting the documents and have yet to receive them within a reasonable time.

(8) In the event of a delivery delay, we are entitled, irrespective of the rights set out in Clause 12 Paragraph (1), to charge 1% of the total net order value for each day of the delay or part thereof, but not more than 10% of the total net order value, for the damage we incurred as a result of the delay, without the need to provide proof of the damages incurred. However, you have the right to prove a lesser damage was incurred. We reserve the right to assert claims for further damage. The claim for the lump-sum compensation for delay may be asserted before the final payment is made.

(9) We are entitled to rescind the entire agreement for orders with partial deliveries if you fail to fulfil contractual obligations in respect to only one partial delivery.

14. Product Liability

(1) You agree to release us from all third party claims for compensation arising from the product and manufacturer's liability for any damage if and to the extent to which the cause of such damage is within your sphere of control or organisation, and you are liable to third parties. In cases involving damage claims, you are also liable for the costs of any necessary recalls and damages (including the expenses incurred for necessary and appropriate legal action) that we have already agreed to pay out of court to the third party with consideration of your well-understood interests. All other legal claims remain unaffected.

(2) You also assume all costs for measures initiated (including precautionary measures) for correcting the defect, particularly measures related to our product monitoring obligation.

(3) You agree to label the delivered items ensuring they can be identified as your products at all times and ensuring traceability.

(4) You agree to take out insurance with adequate coverage against all product liability risks, and, at our request, you will provide us with a suitable confirmation indicating the extent, proof, and duration of the insurance coverage.



15. Quality Assurance

You agree to conduct suitable and comprehensive quality assurance procedures which use state-of-the-art technology. You also agree to provide proof of such procedures at our request. You must carry out a documented outgoing goods inspection for all components to be delivered to us, which encompasses all characteristics required for the delivery item to function correctly. You agree to submit all testing documentation to us for review upon request and archive these records for a period of 10 years. You agree to enter into a quality assurance agreement with us should we deem it necessary.

16. Spare parts, Service and Maintenance

- (1) You undertake to supply us with spare parts for at least 10 years after expiration of the warranty period of a product you have supplied.
- (2) Furthermore, you guarantee that qualified personnel and wear and spare parts are available at our facility within 24 hours of the request, even after the warranty period has expired. This provision applies if you receive such a request between 7:30 a.m. and 4:00 p.m. Monday through Friday. If notification is placed after 4:00 p.m., this period begins at 7:30 a.m. on the following workday.
- (3) When concluding a servicing contract, the following aspects must always be taken into account by the Supplier or its commissioned sub-suppliers:
 - Compliance with occupational health and safety
 - We are to be provided with any references or recommendations regarding environmental protection and energy savings in advance.

17. Third Party Rights

- (1) You guarantee that all deliveries are free from any third party rights. In particular, patents, licences, or other third-party property rights are not infringed upon through the delivery, use, subsequent processing, further use, or resale of the delivered items.
- (2) You agree to defend us and our customers at your expense against all third party claims arising from such an infringement or impairment of the rights referred to in Paragraph (1) above and release us from all litigation expenses and other damage claims asserted against us. For this purpose, we agree to notify you of any claims brought against us and measures we take to defend against such claims or settlement negotiations.
- (3) If claims in connection with items you have supplied have been asserted or are anticipated to be asserted against us due to the impairment or infringement of the rights referred to in Paragraph (1) above, you will obtain immediately, at your expense, an unrestricted right of use or supply replacement items per the contract which are free from third party rights. If neither of these measures are possible within a reasonable period set by us, we are entitled to rescind the contract and claim compensation for the damage we incurred.

18. Subcontracting / Set-off

- (1) Sub-contracting the order or essential parts thereof to third parties without our prior written consent is deemed inadmissible. It entitles us to rescind the contract in whole or in part and assert damage claims.
- (2) You may only set off counterclaims or exercise a right of retention if and to the extent your counterclaim is undisputed or has been legally established as final and absolute.

19. Right of Rescission due to Deterioration of assets

If your financial situation deteriorates significantly after entering the contract and if, as a result, our contractual and legal claims against you are jeopardised, we are entitled to rescind the contract in whole or in part. Your financial situation deteriorates if individual legal enforcement proceedings are carried out against you, you are denied a vital loan, you cease payments, or insolvency proceedings are filed against your business assets.

20. Retention of Title

Any rights of ownership of items delivered by you that exceed the basic retention of title are excluded, particularly an extended or prolonged retention of title.

21. Place of Performance, Place of Jurisdiction, Applicable Law

- (1) Unless explicitly agreed otherwise, the place of performance for the delivery obligation is our designated forwarding address or place of use; for all remaining obligations of both sections the place of performance is Oberboihinger Str. 60, 72622 Nürtingen.
- (2) The place of jurisdiction for all disputes arising between the parties from the contractual relationship is Nürtingen, provided the transaction is of commercial nature for both parties, and the Supplier is a general merchant, legal entity under public law, or represents a special assets fund under public law. However, we reserve the right to bring legal action against you at your general place of jurisdiction.
- (3) All legal relationships between our companies are governed exclusively by the laws of the Federal Republic of Germany, except for the exclusion of the conflict of laws of private international law. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) and the Hague Uniform Laws on the International Sale of Goods is excluded.
- (4) In the event that individual provisions of the contract are deemed invalid, the remaining provisions remain fully effective. Invalid provisions will be replaced by valid provisions that most accurately fulfil the intended purpose and economic meaning of the invalid provision.



22. General Requirements

Occupational health and safety, data protection, energy savings, environmental protection, social responsibility, compliance, and adherence to corresponding codes of conduct are of utmost priority within our company and in collaboration with our suppliers.

Therefore, the following points are the fundamental principles for collaboration with our suppliers. We expect you and your employees to observe these points and incorporate them long-term into your decision-making processes and procedures. The order in which the individual points are listed has no significance on their value.

- No harm must come to persons when carrying out their tasks correctly. The protection of personal integrity must be the greatest asset of corporate management and supervisors.
- Active and constantly evolving occupational health and safety development (e.g., providing the necessary personal protective equipment for your employees) is the basis for preventing health impairments.
- Continuous identification of all laws, regulations, and requirements applicable to you and strict and consistent adherence ensure absolute compliance with standard requirements.
- When assessing corporate action, social and ecological aspects must also be considered (concept of sustainability).
- Universal human rights and principles of equal treatment must be upheld. Child labour must be strictly prohibited; active measures must be taken to prevent bullying, harassment, and discrimination.
- The Supplier is committed to ensuring fair remuneration. In doing so, the relevant national laws must be considered.
- The employee rights of freedom of assembly must be guaranteed on the company's premises within the framework of the applicable national law.
- Your employees must not be subjected to any disadvantage resulting from the mutual preservation of employee interests, for example, collective bargaining.
- All forms of corruption, bribery, and corruptibility must be prohibited unequivocally, and appropriate measures must be implemented to combat such activities.
- Minerals and raw materials used, such as tungsten, tantalum, gold, silver, tin or rare earth metals, or ores such as coltan, must not be sourced from civil war or conflict regions. You may be requested to provide verification documents (absence of conflict) if necessary.
- The continuous advancement and further development of employees is key cornerstone for the future viability of your company.
- Energy waste in the operational environment (production, administration, services, buildings, etc.) can be prevented through constant analysis and ongoing reduction of energy consumption, contributing to sustainable management. The same applies to the promotion and gradual increase in renewable energy use and by conserving and using raw materials sparingly.
- Compliance with the requirements stipulated in the Working Hours Act must be ensured.
- All forms of slavery, e.g. servitude, forced or compulsory labour and human trafficking are strictly prohibited.
- Your employees' workplaces must be designed per the regulations for workplace ergonomics. Personal protective equipment must be available in sufficient quantities and in perfect working order. The machines used must comply with the current machinery directives.
- For emergency planning and prevention purposes, regular site inspections must be carried out by one of your occupational health and safety officers and your company physician. Each employee must be called upon to report any grievances they are aware of immediately to ensure they are resolved as quickly as possible.
- Accidents and near-accidents must be recorded by the involved employees or first-aiders in the accident log book. Furthermore, these must be evaluated in the regularly held Safety Committee meetings and appropriate preventive measures must be initiated.
- Incidents must be reported to the maintenance department as soon as they are discovered to resolve them quickly.
- You agree to heighten employee awareness regarding fire prevention at regular intervals. In the event of emergencies, trained fire protection personnel ensure rapid and complete evacuation of the affected areas. To fulfil this task, fire protection personnel must be trained regularly, and evacuation drills must be carried out.
- Compliance with all laws to protect competition, particularly antitrust law and other laws to regulate competition, is mandatory. Unlawful agreements regarding prices or other terms and conditions, sales territories or customers, abuse of market power, and boycotts (e.g., failure to supply to a customer) are strictly prohibited.
- You must comply with all applicable import and export control laws, including all sanctions, embargoes, regulations, government orders and directives concerning the transportation or shipment of goods and technology.
- Digital media, social networks and blogs continue to gain significance. Due to the various communication channels you use to support your customers daily, data stored in the customer base, including the contact details of your contact persons, is an essential basis for providing optimum customer support. You act per the General Data Protection Regulation (DSGVO), and your data protection officer is appointed or even onsite to ensure compliance and implementation. Personal data are any information which can be used to identify your customers or business partners. Such data is collected, for example, through information submitted by your customers or business partners. You have the right to obtain information about the origin, recipient and purpose of your stored personal data at any time. Furthermore, you have a right to request the correction, blocking, or erasure of this data.
- Persons or institutions who report suspected misconduct must not be subject to any imminent or future disadvantage due to such reporting. The person or institution must be treated as if they had never filed the report.
- Information obtained through professional activity must not be used for any personal gain.
- When manufacturing your products, you must minimise energy, air, and water consumption as much as possible. You strive to keep emission levels as low as possible. When developing your machines and tools, you are committed to creating production and disposal procedures that use resources sparingly.
- We are entitled to process and store the data received in connection with the business relationship about the Supplier and, if applicable, its sub-suppliers within the scope of the Federal Data Protection Act, to the extent it is reasonable and permissible under applicable law for the performance of this contract. The Supplier is aware and agrees that we collect, store, process, and use personal data per the statutory provisions of the EU Data Protection Regulation (EU-DSGVO) related to the mutual business relationship with the Supplier and, if applicable, its sub-suppliers. The Supplier also is aware and agrees that this data and data from companies affiliated with the Customer of Nagel Maschinen- und Werkzeugfabrik can be transferred to maintain and process proper business transactions and payment processing. The relevant legal and corporate provisions pertaining to data protection must be observed. The Supplier obligates their employees and vicarious



agents, and their affected sub-suppliers involved with the contractually owed performance to these General Terms and Conditions of Purchase from Nagel and provide them upon request.

- You must monitor chemicals used in accordance with safety and environmental law. You should initiate measures to reduce or substitute hazardous chemicals significantly impacting the environment.

We can achieve our information security objective only if the applicable rules also extend to purchased services and equipment.

Business Partners Concerned

1.1 Suppliers and business relationships

Supplementary agreements pertaining to information security are concluded with suppliers under the following terms and conditions:

- Processing of internal documents and information (e.g., drawings)
- Access authorisation to areas in which sensitive information is processed
- Servicing, provision or development of sensitive IT systems or services
- If the risk analysis indicates the supplier relationship may have an impact on achieving our information security objectives

This can be, for example, access or processing of internal documents and information.

This also includes access to the internal network or systems. This may include the following groups:

Service providers who are granted access to the internal systems (e.g., VPN connection, account in cloud application, etc.).

In addition, there is permanent access to the business premises, which includes the following groups:
cleaning staff, night guards and maintenance workers.

If the risk analysis indicates the supplier relationship may have an impact on achieving our information security objectives.

This may include the following groups:

Service providers who fall between the cracks of the above list but still impact our information security objectives.

2 Verification of Suppliers

The risk assessment of all suppliers is reviewed and repeated at least once a year.

If a supplier audit is defined as a risk-minimising measure, it must be scheduled and carried out at least annually as part of the regular audit programme.

In doing so, the contractual right to audit the supplier remains open.

NAGEL Maschinen- und Werkzeugfabrik GmbH

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Status 03/2023