

## 1. General

Any orders placed by us shall only be subject to the following purchasing conditions for the duration of the business relationship. Deviating, opposing or supplementary general terms and conditions of the supplier shall not be valid, even if we do not expressly object to them from case to case, except if we have expressly accepted these conditions in writing beforehand. By accepting our order, the supplier accepts the exclusive application of these purchasing conditions.

## 2. Conclusion of the Contract

2.1 Our orders shall be binding at the earliest at written submission or confirmation.

2.2 Where our orders do not expressly contain a commitment period, the supplier is asked to confirm our order in writing within a period of one week from the date of the order, under indication of the order number and date (acceptance); all correspondence regarding this order must contain this information as well. Receipt of the written order confirmation by us shall be relevant for timely acceptance. Deviations from our order shall be marked clearly in the order confirmation, they shall be deemed a new offer that must be accepted by us.

2.3 Our orders and the supplier's order confirmation shall meet written form if submitted by telefax or email.

## 3. Delivery Time and Delivery Default

3.1 The delivery time indicated in the order shall be binding. The supplier shall inform us without delay in writing if he cannot comply with the agreed delivery times – no matter the reasons; at the same time, he shall report the new delivery date. Premature deliveries shall require our express consent.

3.2 If the supplier does not render his performance or does not do so within the agreed delivery period or if he enters default, our rights shall be according to the statutory provisions. The rules of item 3.3 shall not be affected.

3.3 If the supplier has entered default, we may charge a contractual penalty at 1 % of the net price per completed calendar week, but no more than 5 % of the net price for the goods delivered with a delay in total. We shall have the right to charge the contractual penalty in addition to performance and as a minimum amount for damages owed by the supplier according to the law; assertion of further damage shall not be affected. If we accept the delayed performance, we shall assert the contractual penalty at the latest with the final payment.

## 4. Delivery, Packaging, Insurance and Energy Efficiency

4.1 Deliveries within Germany shall be made "free domicile" to the location indicated in the order, unless agreed on differently in writing.

4.2. The supplier shall choose the solution that is most beneficial for us in terms of transport method and time.

4.3 All shipping documents and all documents connected to the delivery contract shall include the item designation as well as our material and order number, the order date, the order quantities and the type of packaging. The supplier shall be liable for the consequences of inaccurate consignment notes.

4.4 The risk of accidental destruction and accidental deterioration of the goods shall be assumed by the supplier. It shall only pass to us at handover at the place of performance (see item 15).

4.5 Regarding packaging, the supplier shall comply with the relevant statutory provisions, specifically the packaging regulations. If the supplier demands return of packaging material, this shall be clearly marked on the delivery documents. If such notes are not present, we shall have the right to dispose of the empties at the supplier's expense. This shall also apply to disposable packaging material.

4.6 Efficient use of energy is an important part of our corporate philosophy. Environmentally conscious and protective use of natural resources as well as energy-saving and environmentally compatible procedures shall be mandatory. The supplier shall deliver data sheets for evaluation of energy efficiency upon our request. All applicable laws and regulations regarding environment protection and environmental impact are respected by the supplier.

4.7 DMG MORI AG operates a successful energy management system according to the ISO 50001 standard. A careful and efficient handling of resources is assumed for the work at the plants of DMG MORI AG.

## 5. Export Rules and Compliance

5.1 The supplier shall be obliged to meet all requirements of the applicable national and international customs and foreign trade law and shall include all information in the order confirmation, invoice and consignment notes that we need to comply with national and international customs and foreign trade law. The information required for this specifically includes indication of the export list and/or ECCN number and the statistical stock number.

5.2 The supplier commits to complying with the laws of the respective applicable legislation and our compliance code of conduct; the compliance code of conduct can be found at <https://ag.dmgmori.com> online.

5.3 If the purchased goods are iron and steel products of chapters 72 or 73 of the Harmonised Commodity Description and Coding System of the WCO, the supplier is obliged to ensure that these products do not originate in Russia, do not contain any components of Russian origin and have not been processed using an iron and steel product of chapters 72 or 73 originating in Russia.

5.4 The supplier will comply with the statutory provisions of the minimum wage act (Mindestlohngesetz; MiLoG) as amended from time to time, and specifically settle and pay out the statutory minimum wage with his workers in time. The supplier shall hold us harmless against any third-party claims (especially workers and social security offices, tax authorities), which are due to violation of his obligations under the MiLoG. This shall apply accordingly in case of violation of the MiLoG by charged subcontractors and/or lessors charged by the supplier or their subcontractors and/or lessors. The obligation to hold harmless shall apply both to liability under civil law and to fines under public law that are imposed due to violations of the MiLoG. The obligation to hold harmless shall also apply regarding any claims of social insurance companies and tax authorities. Apart from this, the supplier shall hold us harmless against any required costs

(especially court and lawyer's costs) that arise in connection with violations of the MiLoG. Further damages claims to our benefit shall not be affected.

5.5 If the supplier culpably violates the obligations from this item 5, we shall have the right – notwithstanding any further claims – to declare rescission of the contract according to the proviso of the statutory provisions or to terminate the contract.

## 6. Prices and Payment Conditions

6.1 The prices named in the order shall be fixed prices. Without any deviating written agreement, the fixed price shall include all services and secondary services of the supplier (e.g. mounting, installation) and any secondary costs (e.g. for proper packaging, transport including any transport and liability insurance, customs handling for import).

6.2 Invoicing shall take place without delay after the delivery, in duplicate. The invoice shall name the order number, item number, item name, item description, item price, quantity, invoiced amount, contact at the supplier's company payment conditions and supplier number. While this information is missing, invoices cannot be settled.

6.3 Unless expressly agreed on differently, payment shall be made within 14 days of complete delivery and performance and receipt of a proper invoice, minus 3% discount, or net within 30 days.

6.4 We shall not owe any interest on maturity. We shall enter default according to the statutory provisions, with a written reminder by the supplier being required for this in any case, deviating from the law.

6.5 Set-off and retention rights, as well as the objection of the contract not being met shall be due to us at the statutory scope. We shall specifically have the right to hold back due payments while we still have any claims against the supplier from incomplete or defective performance. The supplier shall only have a right of setoff or retention due to finally determined or undisputed counter-claims.

6.6 The supplier shall not have the right to assign his claims against us to third parties without our advance written consent.

## 7. Liability for Defects

7.1 Our rights in case of defects of material and title in the goods and in case of any other violations of obligations by the supplier shall be according to the statutory provisions, where nothing else is provided for by law.

7.2 The commercial examination and complaint obligations shall be subject to the statutory provisions with the following proviso: our examination obligation shall be limited to defects that are openly evident during our incoming goods inspection under external inspection, including the delivery documents, and during our quality control in the random procedure (e.g. transport damage, wrong and underdelivery). Apart from this, it shall be relevant in how far examination is reasonable under consideration of the individual circumstances in the proper course of business. Our obligation to report defects discovered later shall not be affected. In any case, our complaint (report of defect) shall be deemed without delay and in time if received by the supplier within 10 working days.

7.3 If the supplier does not meet his obligation to subsequent performance – according to our choice by removal of the defect (improvement) or delivery of an object without defects (replacement delivery) within an appropriate period set by us, we may remove the defect ourselves and demand reimbursement for required expenses or the corresponding advance payment from the supplier. If subsequent performance by the supplier has failed or is unreasonable for us (e.g. due to particular urgency, danger of the operational safety or a threat of incurring proportional damage), we shall not be required to set a grace period; we will inform the supplier of such circumstances without delay and if possible in advance.

7.4 With receipt of our written report of defects by the supplier, the expiration of warranty claims shall be suspended until the supplier rejects our claims or declares the defect removed, or otherwise refuses continuation of negotiations of our claims. In case of replacement delivery and removal of defects, the warranty period shall restart for replaced and improved parts, except if we had to assume that judging from the supplier's behaviour he did not consider himself obliged to perform the measure, but performed the replacement delivery or removal of defects only out of goodwill or for similar reasons.

## 8. Product and Producer Liability; Insurance

8.1. If a third party raises any claims against us due to injury or property damage by way of product and/or producer liability, and if this damage is due to a product from the supplier, the supplier shall hold us harmless against this claim – where he is liable in the external relationship.

8.2 If not agreed on differently with us in writing, the supplier shall take out an operating, product and environmental liability insurance with a flat-rate coverage total of at least 5 M EUR per injury/property damage. The supplier shall also maintain financial damage coverage of at least 1 M EUR. The supplier shall submit written proof of the present insurance coverage to us before the first delivery and then at least once per year without prompting.

## 9. CE Declaration of Conformity/Manufacturer's Declaration

The delivered products must meet all provisions, directives and standards regarding the respective product. If a manufacturer's declaration for the product or a declaration of conformity (CE) in the sense of the EC machinery directive is required, the supplier must draw this up and provide it without delay on request.

## 10. Copyright

For deliveries based on drawings, models or special information, we expressly reserve intellectual property (copyright and other property rights). All information provided to the supplier, as well as any drawings and samples, must not be disclosed to any third parties. The supplier shall be liable for the consequences of any violation of this provision.

## 11. Production Equipment

Models, tools, samples, drawings or other documents that we provide to the supplier for performance of the order shall remain our property. The production equipment and their reproductions must only be used to perform our order. They

shall be returned to us unprompted after completion of the order unless something different is expressly agreed. Drawings and other documents shall only be relevant for the order for which they have been provided. The supplier shall perform the order solely based on the documents provided to him for this order, no matter if there has been any change since the last order or not; the drawings provided to the supplier shall be subject to change management at our company. For the Munich/Geretsried plant, the last submitted drawing with the corresponding change index shall be valid at all times. The supplier shall be responsible for any damage from non-observation of this circumstance. The supplier shall be obliged to treat and keep any production equipment provided to him with care. He shall be liable for damages in case of loss or damage.

**12. Processing Orders**

12.1 The material delivered by us shall remain our property in any case. In case of processing, we shall acquire title in the semi-finished or finished products, and shall be deemed their manufacturer in the sense of § 950 para. 1 BGB. The supplier shall only be the custodian. This shall also apply if the new products are more valuable than the delivered objects; to keep us safe, the finished goods shall only be deemed as valuable as the objects delivered by us under reservation of title.

12.2 Additional work due to defects of material and deviations of sizes of the provided raw materials must only be charged if they have been approved by us in writing beforehand. Any defects to the material delivered by us that are found during processing must be reported at once; further processing must be ceased until further instructions from us.

**13. Spare Parts**

13.1 The supplier shall be obliged to provide spare parts for the products delivered to us for a period of at least 10 years after delivery.

13.2 If the supplier intends – notwithstanding item 13.1 – to cease production of spare parts for the products delivered to us, he shall inform us of this without delay.

**14. Expiration**

The period of expiration for contractual claims from defects shall be three years from the passing of risk (item 4.4), unless the application of the statutory expiration periods leads to a longer expiration period from case to case; in this case, the longer period shall apply. Apart from this, the mutual claims for the contracting parties shall expire according to the statutory provisions.

**15. Place of Performance and Place of Jurisdiction**

The place of performance for both parties shall be the place of receipt designated by us from case to case. The exclusive place of jurisdiction shall be the location from where the order was placed. The contractual relationship shall be subject to German law under exclusion of UN purchasing law.

**16. Force Majeure**

16.1 Force majeure, such as operational disruptions for which we are not responsible, riots, governmental actions and other unavoidable events, such as pandemics, shall release us from our obligation to accept ordered goods or services for the duration of the event. However, both parties are obliged to provide each other with the necessary and reasonable information without delay and to temporarily adjust their obligation to the changed circumstances, in particular possibly changed market requirements. During such events and within two weeks after their end, we shall be entitled - without affecting our other rights - to withdraw from the contract in full or in part if an adjustment is not possible.

16.2 In the event of withdrawal, we shall be authorized to claim the return of any advance payments that may have been made. There shall be no obligation to pay damages in this case. We shall agree separately on the purchase of processed materials (WIP parts) or on your end covered raw materials for the fulfillment of the contract.