General Terms and Conditions for Purchasing and External Services

Last Revision: 01 June 2026

General section

1. General Provisions

1.1 These terms and conditions apply to all external services which we, Starkstrom-Gerätebau GmbH, procure from the Contractor (including, but not limited to services provided under contracts of sale, contracts for work and services, and service contracts). They shall apply on an exclusive basis. Conflicting terms or terms deviating from ours shall not be accepted. Conflicting terms and conditions shall not be accepted, even if we do not expressly object to them or if we refer to correspondence from the contracting party in which reference is made to its terms and conditions.

1.2 Our terms and conditions shall also apply to all future transactions with the Contractor, even when not expressly reiterated.

2. Quotations and Completeness of Quotations

2.1 When providing a quotation, the Contractor must adhere strictly to the terms of the enquiry. Any deviations must be specified explicitly.

2.2 Quotations shall be provided free of charge and shall be non-binding.

2.3 The Contractor warrants that the products or services offered are complete in scope and suitable for achieving the intended purpose of the contract.

3. Purchase Orders

3.1 Orders, agreements and any amendments or supplements must be confirmed in writing to be valid.

3.2 Unless the Contractor objects to our order or any supplements or amendments thereto within 10 days, the order and/or any amendments shall be deemed as accepted.

4. Prices, Invoicing, Packaging and Payment Terms

4.1 The prices set out in the offer are binding.

4.2 All prices shall be quoted exclusive of VAT. Prices shall be fixed prices, including delivery to the specified destination, and including packaging. Packaging costs shall only be payable if this has been expressly agreed.

4.3 The Contractor undertakes to use only packaging (i.e. transport, secondary, and retail packaging) complying with the principles and objectives of the Ordinance on the Avoidance of Packaging Waste, as amended from time to time. The Contractor shall be liable for damages resulting from incomplete and/or improper packaging. Unless agreed otherwise, the packaging shall be disposed of at the Contractor's cost and risk.

4.4 Invoices shall be sent to us in duplicate. Unless otherwise agreed, payment shall be made on the 25th of the month following delivery, less a 3% discount, or within 90 days net.

4.5 The payment period shall begin once the goods have been delivered in full and without defects, and the proper and correct invoicing documents have been received.

4.6 Payments can be made by cheque or bank transfer. Payment is considered timely if the cheque was posted on the due date or if the bank transfer was initiated at the bank or post office on the due date.

4.7 We reserve all rights of set-off and retention available to us under applicable law.

5. Performance Periods and Changes to Services

5.1 The delivery and performance deadlines or completion dates specified in the order are binding and include free delivery to the named destination.

5.2 The prerequisites and legal consequences of default shall be governed by the statutory provisions, without the requirement of a formal notice of default (reminder).

5.3 The Contractor shall notify us without undue delay as soon as it realises that it will be unable to meet the specified delivery dates or expects a delay; the notification shall include the reason for and the expected duration of the delay in delivery; should the Contractor fail to comply with this obligation, the Contractor cannot invoke the impediment.

5.4 In the event of a delay for which the Contractor is responsible, we shall be entitled to claim a contractual penalty of 0.2% of the net order value for each business day of delay, subject to a maximum of 5% of the order value, as a minimum amount of damages. This shall not affect the Contractor's right to provide proof that no loss has been incurred as a result of the delay or that the loss incurred is substantially lower. We reserve the right to claim the contractual penalty at any time up to final payment.

5.5 Our right to assert further claims shall remain unaffected, to the extent permitted by law.

5.6 After conclusion of contract, we shall be entitled to request reasonable changes to the services. The Contractor shall notify us without delay and, in any event, within 10 business days of any changes to performance deadlines and/or prices resulting therefrom.

6. Confidentiality, Advertising and Documents

6.1 All engineering drawings, plans, documents, models, electronic data carriers, sketches and similar company documents shall remain our property and must always be treated as strictly confidential. They must not be made available to third parties without our consent.

6.2 The Contractor undertakes to maintain the strictest confidentiality with regard to any other information that it becomes aware of in the course of its activities for us.

6.3 The Contractor undertakes to impose these obligations also on its staff and its subcontractors.

6.4 Upon request and once the order has been completed, the documents and records, including any copies or duplicates thereof, must be handed over to us or destroyed in a verifiable manner. The Contractor shall submit all records, documents and files that are relevant to products or services provided upon their delivery and without being requested to do so.

6.5 Any advertising referring to our company or similar content shall require our prior consent.

6.6 If the provision of documentation or similar materials has been agreed as part of the scope of delivery, the Contractor shall provide them as soon as possible, but no later than upon delivery of the products or services.

6.7 Any breach of these obligations shall render the Contractor fully liable to us in accordance with the legal provisions.

7. Compliance

7.1. Compliance with the Supplier Code Of Conduct of the SGB SMIT Group

The Contractor undertakes to conduct its business operations in accordance with the SGB SMIT Group's Supplier Code of Conduct (https://www.sgb-smit.com/sgb-smit-group/procurement/), which forms an integral part of this framework agreement. The Contractor shall therefore establish an adequate risk management system, including preventive measures, to control, eliminate, or mitigate risks of noncompliance with the principles set forth in the Supplier Code of Conduct.

The Contractor shall impose on its subcontractors the obligation to comply with the Supplier Code of Conduct and shall provide them with a copy of the Supplier Code of Conduct no later than upon conclusion of the respective subcontract. The Contractor shall ensure that its subcontractors comply with the Supplier Code of Conduct and that these requirements are passed on throughout the entire supply chain. The Contractor shall be entitled to fulfil the obligations under this subsection in accordance with its own Code of Conduct, provided that the protective rights set forth therein correspond to those in the Supplier Code of Conduct, which is an integral part of this Framework Agreement. In addition, the Contractor shall provide its employees with regular training on the principles of the Supplier Code of Conduct, notably those relating to human and environmental rights.

a. Access to the Whistleblowing Channel of SGB SMIT GROUP
The Contractor shall ensure that its employees have unimpeded access to the whistleblowing channel we have set up (https://www.sgb-smit.com/de/sgb-smit-group/einkauf). The Contractor shall notably not take any measures that hinder, block, or impede access to this channel. The Contractor undertakes to pass on to its subcontractors the obligations specified in sentences 1 and 2 of this paragraph and to ensure that these obligations are cascaded throughout the entire supply chain.

b. Requesting Documents and Audit Rights
The Contractor shall obtain and provide all information and documents that we need to comply with all regulatory requirements arising from this contract. Regulatory requirements in the aforementioned sense include, in particular but not limited to, the provisions of the German Supply Chain Due Diligence Act or similar legislation.
The Contractor agrees that the principles of our Supplier Code of Conduct form an integral part of our supplier audit and supplier evaluation. In case of such a supplier audit, the Contractor shall therefore grant access to its premises and offices during normal business hours and will ensure its full cooperation with regard to any related inquiries we may make (e.g., through self-assessments).

c. Right to Termination or Suspension
Should the Contractor breach any of the obligations set forth in the Supplier Code of Conduct, the Purchaser is entitled to suspend performance of the contract or, in its sole discretion, to withdraw from or terminate the contract if the breach is not remedied within a reasonable period of time set by the Purchaser. In the event of grave, persistent or repeated breaches, withdrawal or termination may be effected without notice.

d. Compensation
Unless the Contractor proves that it bears no responsibility for the breach:
(a) the Contractor shall be liable to compensate for any loss or damage resulting from a breach of the Supplier Code of Conduct.
(b) Furthermore, the Contractor shall indemnify us against any third-party claims arising from a breach of the Supplier Code of Conduct.

7.2. Compliance with Cybersecurity Requirements
The SUPPLIER acknowledges that the PURCHASER may be subject to statutory cybersecurity requirements, notably under Directive (EU) 2022/2555 ("NIS 2 Directive") and the relevant applicable national implementing legislation. The SUPPLIER shall implement and maintain appropriate, state-of-the-art technical, organisational and operational cybersecurity measures for all services, products, systems, software, components and items supplied to or on behalf of the PURCHASER.
Any security incidents, vulnerabilities or indicators of compromise that may affect the PURCHASER's services, systems, data or processes must be reported to the PURCHASER without delay. The SUPPLIER shall assist the PURCHASER in investigating, containing and rectifying such incidents, as well as in complying with statutory reporting and documentation requirements.
Upon request, the SUPPLIER shall provide suitable evidence of compliance with these requirements, including documentation, certifications and audit reports. The SUPPLIER shall also require its key subcontractors to comply with equivalent requirements.

7.3. Compliance with CBAM Requirements

a. Definitions and Scope of Application
"CBAM" refers to the Carbon Border Adjustment Mechanism as set out in Regulation (EU) 2023/956, as amended from time to time, including all related legal acts, guidelines, regulatory requirements and subsequent legislation.

b. “CBAM goods” means goods, intermediate goods, raw materials or components which are, or may be, directly or indirectly subject to CBAM, or which may give rise to CBAM-related obligations, costs, or documentation, reporting, verification or payment obligations on the part of the PURCHASER, its affiliates or its customers.

"CBAM costs" include, among other things, the costs of CBAM certificates, CO_2 prices, CO_2 taxes, levies, costs arising from the use of default values or estimates, costs of verification, auditing, consultancy, administration, customs, financing, storage and delays, as well as fines, penalties, additional claims, interest and other losses relating to CBAM.

c. Classification, Origin and Disclosure Requirements
The SUPPLIER must inform the PURCHASER in writing as to whether the goods or the materials contained therein are, or may be, CBAM goods. The SUPPLIER shall warrant the accuracy and completeness of this information.

d. Data, Supporting Documents and Documentation
The SUPPLIER shall, at its own expense, provide the PURCHASER with all data, calculations, explanations, evidence and documentation that are required or reasonably useful for CBAM purposes, in a form that is complete, accurate, up-to-date, consistent, verifiable and suitable for electronic processing.
This shall notably include direct and, where applicable or if required by the PURCHASER, indirect embedded emissions per product, batch, production facility, production period and item, activity data, emission factors, energy consumption, electricity mix, fuel and material data, production volumes, allocation methods, intermediate product data, calculations in accordance with the EU CBAM methodology, documents relating to origin, customs, shipping, trade, and production, as well as evidence of CO_2 prices, CO_2 taxes, levies, emissions trading costs or comparable charges that have been paid, are payable, or that have been reimbursed, offset or refunded.

e. Form, Deadlines and Collaboration
The SUPPLIER shall provide the information in the form specified by the PURCHASER, including the European Commission's current CBAM communication template or an equivalent template.
Unless the PURCHASER specifies a different deadline, CBAM data must be provided no later than five business days after delivery or after the PURCHASER's request; period-based data must be provided no later than ten calendar days following the end of the relevant reporting period.
Whenever there are CBAM-related enquiries from the authorities, audits, corrections, supplementary submissions, remedies, customer enquiries, and internal or external audits, the SUPPLIER shall assist the PURCHASER without delay and at its own expense.

f. Verification, Retention and Audit Rights
The PURCHASER may require that CBAM data be verified either through an audit at the SUPPLIER's premises or by an independent, skilled and, where required by law, accredited verifier. The SUPPLIER shall bear the verification costs whenever verification is required by law, or whenever it is required due to a lack of completeness, accuracy, plausibility or verifiability, or where discrepancies of more than 5 % are identified.
The SUPPLIER must maintain appropriate internal controls, ensure the traceability of data and retain all CBAM-related records for at least ten years from the date of delivery.

g. Prices, Cost Transparency and Prior Consent
The SUPPLIER must disclose the CBAM costs and any other CO_2-related cost separately and in a transparent and verifiable manner. Such costs may only be invoiced if they have actually been incurred, are legally justified, have not been offset, are not already included in the price, and if they have been disclosed to the PURCHASER in a verifiable manner.
Any calculation, increase or passing on of CBAM costs by the SUPPLIER requires the prior written consent of the PURCHASER; without such consent, all CBAM- and CO_2-related costs shall be deemed included in the agreed price.
The SUPPLIER shall provide all information necessary or reasonably useful that enables the PURCHASER to disclose, substantiate and calculate CBAM costs and pass them on to its customers.

h. Breach of Duty, Default Values, Indemnity and Contractual Remedies
Where the PURCHASER, its affiliated companies or customers incur CBAM costs, additional costs, contractual penalties or other disadvantages due to the SUPPLIER's failure to provide information in a timely, complete, accurate, plausible, verified or verifiable manner, the SUPPLIER shall bear these costs and disadvantages and indemnify the PURCHASER against them.
This shall notably apply whenever unfavourable default values, conservative estimates or substitute values prescribed by the authorities must be used because of missing or inadequate data provided by the SUPPLIER.

i. Use of Data, Confidentiality, Legal Changes and Continued Validity
The PURCHASER may store, review, process and disclose CBAM data to affiliated companies, customers, consultants, auditors, verifiers, customs authorities, CBAM authorities and other competent authorities, to the extent that it is necessary or reasonably useful for the fulfilment, review, defence, documentation or disclosure of CBAM-related obligations. In all other respects, the agreed confidentiality provisions shall apply.
In the event of any changes to the CBAM, the EU emissions trading system, customs legislation, scope of product application, calculation methods, certificate prices, free allocations, verification requirements or administrative practice, the SUPPLIER shall immediately adapt its processes, data, supporting documents and prices accordingly.
The obligations under this clause shall continue to apply beyond the delivery or the termination of the contract for as long as CBAM-related obligations, audits, corrections, limitation periods, retention or documentation requirements remain applicable.

8. Place of Performance, Place of Jurisdiction, Applicable Law, Contractual Language, Insurance Policies and Burden of Proof

8.1 The place of performance for our obligations, notably our payment obligations, shall be the destination specified by us; otherwise, it shall be our registered office.

8.2 The place of jurisdiction shall be our registered office, provided the Contractor is also a merchant, a legal person under public law or a special public fund. The same shall apply if the Contractor does not have a place of jurisdiction in Germany, or if the Contractor’s registered office has moved abroad since conclusion of the contract We shall also be entitled to bring legal proceedings against the Contractor before other competent courts.

8.3 All claims and rights arising out of this contract shall be governed by the non-unified law of the Federal Republic of Germany (BGB - German Civil Code, and HGB - German Commercial Code). The UN Convention on Contracts for the International Sale of Goods (CISG) shall not apply. The contractual language shall be German.

8.4 The Contractor shall, at its own expense, take out adequate liability insurance to cover damages caused by its products or services, its personnel, and/or its subcontractors. Proof of insurance must be provided upon request. Where appropriate, the Contractor shall also take out adequate transport insurance at its own expense.

8.5 None of the clauses set out in these terms and conditions shall alter the burden of proof as laid down by statute or established law.

9. Duration of the Contract

9.1 the parties shall individually determine the duration of the contract.

9.2 This shall not affect the right to terminate the contract for good cause. We shall be entitled to terminate the contract for good cause or withdraw from it, in particular in the following circumstances:

- A material deterioration in the Contractor's financial position which the Contractor has failed to remedy even after the expiry of a reasonable period of time, or which the Contractor has failed to remedy within a reasonable period by providing adequate security or by performing its obligations concurrently with the corresponding counter-performance.
- Insolvency or over-indebtedness of the Contractor
- Contractor lodges an application for insolvency
- Commencement of insolvency proceedings with respect to the Contractor's assets, or dismissal of such proceedings due to lack of assets

10. Severability

10.1 Changes to the contract shall only take effect with our consent.

10.2 Should any individual provisions of these General Terms and Conditions be or become ineffective, whether in full or in parts, this shall not affect the validity of any other provision contained therein. The contracting parties undertake to adopt a provision that achieves, to the greatest extent possible, the economic purpose of the invalid, ineffective or void provision.

10.3 All of the Contractor's data are exclusively processed for the purposes of conducting business and in accordance with the applicable data protection provisions.

Special Section

11. Acceptance and Notices of Defects. Inspections and Tests.

11.1 All necessary acceptances shall always be made in a formal manner. Mere use or operation (particularly during test runs, etc.) does not constitute acceptance.

11.2 Any obligation to inspect for or to notify non-obvious defects pursuant to Section 377 of the German Commercial Code (HGB) shall be excluded. We undertake to perform a minimum inspection based on the delivery note and to check for damage during transport; the Contractor undertakes to perform a final inspection of the goods and enters into a quality assurance agreement with us.

11.3 If no quality assurance agreement has been entered into, or in case of obvious defects, any notice of defect issued by us shall be deemed to have been given in a timely manner if it is received by the Contractor within 7 business days (excluding Saturdays), calculated from the date of receipt of the goods or, in the case of hidden defects, from the date of discovery. Should the "immediate notification period" specified in Section 377 of the German Commercial Code (HGB) be longer than 7 business days, such longer period shall apply.

11.4 We reserve the right to inspect the Contractor's services either by ourselves or through third parties at any time and in a reasonable manner. For this purpose, the Contractor shall grant us access to its production facilities or sites upon request. The Contractor shall provide us with all necessary and reasonable support (notably by providing qualified support personnel). Inspections and verifications do not constitute acceptance within the meaning of the law and therefore do not relieve the Contractor of its contractual obligations.

12. Warranty in Sales and Service Contracts

12.1 The Contractor warrants that the goods and services supplied are free from defects that would impair their value or suitability, comply with the state of the art and meet the conditions specified in the purchase order and any other warranted characteristics. The Contractor further warrants that they comply with the latest regulations issued by the authorities, applicable legal and safety requirements, and relevant accident prevention regulations.

12.2 In the case of defective goods or services, we are entitled, at our discretion, to demand either a replacement delivery or rectification of the defect (supplementary performance), and, if supplementary performance fails, we are entitled to a price reduction or rescission of the contract. Where the

Contractor is in default regarding the rectification of the defect, or if it is unreasonable for us to wait for the Contractor to remedy the defect due to the risk of unusually high damage, we are entitled to rectify the defect ourselves or have it rectified by a third party, in each case at the Contractor's expense. Further claims shall remain unaffected.

12.3 All costs incurred in connection with the warranty obligation, in particular expenses for troubleshooting, disassembly, assembly, travel, transportation, packaging, insurance, customs duties, and other public charges, as well as inspections and technical acceptance tests, shall be borne by the Contractor.

12.4 Should the goods or services delivered be partially defective, we shall be entitled to assert, at our discretion, the above claims with regard to the entire order or a part thereof.

12.5 When a defect is notified, the warranty period shall be extended by the period of time between the notification of the defect and its rectification. Should the item delivered be replaced in whole or in part, or if the services are provided anew, the warranty period for the corresponding portion shall also begin anew.

12.6 The Contractor warrants the goods and services for a period of 24 months following delivery or acceptance, however, for no less than the periods prescribed by law. In the event of ongoing negotiations with the Contractor regarding warranty claims, the limitation period shall be suspended for the duration of such negotiations. Should the delivered item be repaired or replaced as part of a supplementary performance, the limitation period shall begin anew from the moment the rectification is implemented.

13. Intellectual Property, Proprietary Rights

13.1 We shall be entitled, on an exclusive basis and without additional compensation, to all rights of use relating to the Contractor's goods and services delivered hereunder, in particular with respect to inventions and improvements. The same applies to any exploitation rights. Upon request, any patents and licence rights shall be transferred to us free of charge.

13.2 The Contractor warrants that its goods and services delivered do not infringe any third-party rights. Should we face claims from third parties as a result of the deliveries, the Contractor is obliged to indemnify us against such claims. Indemnification shall be provided upon first request. Without the Contractor's consent, we are not authorised to enter into any agreements (in particular, settlements) with the relevant third party. This indemnification obligation also applies to all expenses that we necessarily incur as a result of or in connection with a claim made by a third party. The limitation period for these claims is ten years and shall begin upon conclusion of the respective contracts.

14. Recourse

14.1 If claims are made against us on the grounds of manufacturer's liability, product liability, or any other liability arising from a defect in goods or services supplied by the Contractor, the Contractor shall indemnify us against any resulting liability, provided that the Contractor is responsible for the defect and is itself liable to third parties. Indemnification shall be provided upon first request.

14.2 In this context, and in accordance with Sections 683 and 670 of the German Civil Code (BGB), or Sections 830, 840 and 426 of the German Civil Code (BGB), the Contractor shall also reimburse any expenses arising from or in connection with a product recall. To the extent that it is reasonable and feasible, we will inform the Contractor without delay of the content and scope of the respective measures. We reserve the right to pursue further legal claims.

14.3 Should we face a claim from a third party due to a defect in the goods or services supplied by the Contractor, we shall be fully entitled to seek recourse against the Contractor as defined by Section 478 of the German Civil Code (BGB); an exception to this rule shall only apply if equivalent compensation for the right of recourse has already been granted.

15. Additional Liability of the Contractor (for all types of contracts)

Unless otherwise agreed in individual cases, the Contractor shall be liable in accordance with the relevant statutory provisions.

16. Liability of the Principal

16.1 In the event that we, our vicarious agents, or our legal representatives breach our obligations intentionally or through gross negligence, we shall be liable in accordance with the statutory provisions; these shall also apply where we culpably breach a material contractual obligation (cardinal obligation). Unless we are found to have acted intentionally, our remaining liability shall be limited to the foreseeable damage typical for this type of contract. We shall also be liable in accordance with the statutory provisions where we are held liable for injury to life, limb or health. The same applies where a guarantee is given or a quality is warranted, provided that a defect covered by such a guarantee or warranty gives rise to our liability.

16.2 The foregoing shall apply mutatis mutandis in the case of reimbursement of expenses. A reversal of the burden of proof is not intended.

17. Materials Provided

17.1 When supplying parts to the Contractor, we shall retain title to such parts. Any parts supplied by us shall remain our property and shall be stored separately and clearly identified as our property. They may be used solely for the performance of our orders. Diminution in value or loss of such parts shall give rise to compensation.

17.2 Our retention of title shall also extend, to their full value, to any products resulting from the processing or transformation of our goods. Such processing or transformation shall be carried out on our behalf, with the result that we shall be deemed to be the manufacturer. Where, in the course of processing or transformation involving goods belonging to third parties, ownership of those goods remains vested in the third parties, we shall acquire a co-ownership in the resulting products in proportion to the objective values of the goods involved. Should our goods be mixed or combined with other items, we shall likewise acquire co-ownership in the same proportion. If the item belonging to the Contractor is to be regarded as the principal item, the Contractor shall transfer proportionate co-ownership to us. The Contractor shall keep our property exercising the degree of care customary in the trade.

17.3 Excess security interests shall be released if the estimated value of our security interests exceeds the value of the secured claims by more than 50 %. Selection of the security interests to be released shall be at our discretion. This release provision shall only apply if the Contractor is entitled to transfer of ownership.

18. Contractor's Retention of Title

Unless otherwise agreed in individual cases, deliveries by the Contractor shall be made without retention of title. Any third-party rights in items to be supplied by the Contractor must be disclosed to us without being requested to do so.

Additional Provisions for the Deployment of Subcontractors and Contractor's Staff

The following additional provisions shall apply to the performance of work or services by the Contractor (using its own or external staff) which do not constitute services under employment law.

19. Contractor's Staff

19.1 The Contractor warrants that:

- it will only deploy skilled personnel;
- the number of personnel deployed is sufficient for fulfilling the contractual purpose;
- there are sufficient German-speaking contacts on site.

19.2 The Contractor shall indemnify us against all claims by third parties arising from the deployment of its staff.

20. Subcontractors of the Contractor

20.1 Subject to our prior consent, the Contractor may engage subcontractors.

20.2 When doing so, the Contractor will ensure that:

- it will only deploy skilled subcontractors;
- its subcontractors are bound by the same contractual obligations towards us as the Contractor itself.

20.3 Even where we consent to the deployment of subcontractors, the Contractor shall be fully liable for them. Subcontractors are deemed to be vicarious agents of the Contractor.

20.4 The Contractor shall indemnify us against all third-party claims that may arise from the deployment of subcontractors.

21. Company Rules and Public-Law Obligations

21.1 The Contractor and its personnel or subcontractors must all comply with our applicable plant rules (safety regulations, etc.). These rules shall be made available upon request.

21.2 When providing the goods and services, all public-law provisions that are applicable at the respective place of performance shall also be observed by the Contractor's staff or subcontractors (e.g. health and safety regulations).