

# General Purchase Terms and Conditions

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## 1. Scope

- 1.1 These General Purchase Terms and Conditions shall apply to all deliveries of products and materials by a supplier (hereinafter "supplier" or "contractor") to AUNDE Achter & Ebels GmbH (hereinafter "AUNDE") or to an affiliated company of AUNDE as well as for all other services provided by a contractor on behalf of AUNDE.
- 1.2 These General Purchase Terms and Conditions apply exclusively to companies within the meaning of § 14 BGB (German Civil Code).
- 1.3 Deviating or supplementary general terms and conditions of the supplier do not apply and do not become part of the contract even in the absence of an explicit objection by AUNDE.
- 1.4 If a framework agreement or other contracts have been concluded with the supplier of AUNDE regarding the delivery of products, production materials or services to be provided, the contractual contents of the framework agreement shall take precedence over these General Purchase Terms and Conditions. The contents of the General Purchase Terms and Conditions apply only to non-agreed parts of the contract which takes precedence.
- 1.5 Irrespective of these General Purchase Terms and Conditions, individual technical terms of delivery for production materials are valid and shall be complied with accordingly.

## 1.6 Definitions

### Work results

Work results include all objects, materials, records, results, documents, sketches, drafts, concepts, data, etc. created, developed or acquired by the contractor on the basis of the respective individual contracts, including their processing, irrespective of whether they are protectable or not.

### Working days

Working days are calendar days from Monday to Friday with the exception of public holidays at the headquarters of AUNDE, Mönchengladbach.

### Order confirmation

An order confirmation constitutes the acceptance of an order and the conclusion of an individual contract between both parties. In case of a binding offer by the supplier and an order by AUNDE with reference to the binding offer, the order by AUNDE can be regarded as an order confirmation and thus as a concurring declaration of intent.

### Purchase order

A purchase order is a request to a supplier to deliver a product or to perform a service.

### Individual contract

An individual contract is any contract with reference to agreed contractual products or services for an individual case, which is concluded between AUNDE and a supplier (contractor) by means of an order placed by AUNDE and an order confirmation by the supplier.

### Incoterms

Incoterms are the international rules for the interpretation of customary trade terms for foreign trade contracts. These are supplementary elements to the agreed individual contract, which regulate the transfer of costs, the transfer of risk, the insurance, the risk of accidental loss as well as possible damage to the contractual product during transport.

### Customer-specific products

Customer-specific products are products that have been requested by AUNDE from suppliers in accordance with an agreed specification, or which have been developed by AUNDE itself or by a third party and are and are manufactured by a supplier. Customer-specific products for AUNDE are in particular e.g. yarn, foam, fleece, knitted goods, textile surfaces and other manufacturing components.

### Service

A service is the execution of an action by a contractor in order to fulfil the obligations arising from the specific individual contract. The supplier's obligations to AUNDE in respect of the services agreed in the individual are completed after proper execution and acceptance of the services.

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## Service description

The service description is a specification of the service that the contractor has to provide to AUNDE.

## Modified Products

Modified products are standard products that have been adapted to specific AUNDE requirements.

## Third party rights

Third-party rights are registered and unregistered industrial property rights and similar rights as well as the registration of such rights and rights of anyone who is not a contracting party (in particular patents, trademarks, copyrights, design and ancillary copyrights).

## Written form

The written form requires that the declaration of intent, which is regulated in the definition of the individual contract by a person or persons authorised to duly represent the respective contracting party

1. by hand with a name signature or
2. signed by means of a notarially certified hand sign or
3. is notarised and transmitted to the other contracting party as an original or by fax.

## Standard products

Standard products are products from the supplier's product range that can be purchased by a large number of different customers in the same design and which are not created or adapted specifically for AUNDE in the sense of the definition of modified or customised products.

## Text form

Text form is the legible reproduction of a declaration of intent, in particular an e-mail or a letter, which clearly identifies the respective contractual partner. An electronic signature and / or a handwritten signature by the respective contractual partner are not required.

## Affiliates

For the purposes of these General Purchase Terms and Conditions, affiliated companies are those with which AUNDE Achter & Ebels GmbH directly or indirectly:

1. holds more than half of the voting rights, or
2. has the power to appoint or remove more than half of the members of the administrative, management or supervisory body or of the bodies appointed to legally representing the company, or
3. has the right to conduct business on behalf of the company.

## Contracted products

Contracted products are standard, adapted or modified products, as well as customised products (e.g. production materials and components), which the supplier delivers to AUNDE on the basis of an individual contract. Contracted products specified within the individual contract must be delivered including proper product documentation with technical specifications and data sheets.

## Confidential information

Confidential information is any information, facts, documents, data and / or knowledge, in particular technical and / or economic information, design documents, specifications, drawings, samples, prototypes, test results as well as data of customers of AUNDE and / or secret know-how and operational secrets of AUNDE. This includes any identifiable information that is only accessible to a certain group of persons, e.g. in the form of information about manufacturing processes that is not publicly known or audit results that the supplier / contractor receives from AUNDE in the course of the business relationship between AUNDE and the supplier, irrespective of the form of this information.

Non-confidential information is information that,

1. were demonstrably already known to the recipient at the time the individual contract was concluded, without legal regulations, official orders or non-disclosure agreements being violated.
2. were already publicly known at the time of the conclusion of the individual contract or made public immediately thereafter, insofar as no violation of confidentiality obligations occurred.

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## 2. Conclusion of contract / scope of services

- 2.1 An individual contract is concluded when the supplier accepts an order sent by AUNDE by means of an order confirmation. The supplier commits to confirm AUNDE's order within five (5) working days. Should no rejection by the supplier be received by AUNDE within the aforementioned period, the order is deemed to be accepted and the individual contract is concluded. Orders, order confirmations and rejections shall be made at least in text form. The order confirmation can be replaced within the aforementioned period of five (5) working days on the part of the supplier by the execution of the delivery and / or provision of the service.
- 2.2 Contracted products and / or services of the supplier shall correspond to the current state of the art, unless otherwise agreed in the respective individual contract.

## 3. Delivery / time of performance / delay

- 3.1 Delivery shall be made DDP to the place of delivery specified in the order in accordance with INCOTERMS 2020 within the contractually agreed delivery time.
- 3.2 The agreed delivery and performance dates in the individual contract are binding. The supplier undertakes to inform AUNDE immediately if circumstances arise due to which the agreed date cannot be met.
- 3.3 Deadlines for the performance of the delivery and / or service shall commence with the receipt of the order confirmation by the supplier in accordance with section 2.1.
- 3.4 Delivery after the expiry of the performance period and/or partial deliveries are only permissible with the prior consent of AUNDE in writing or text form.
- 3.5 If the supplier is in delivery delay, AUNDE can - in addition to legal claims - request a compensation in form of a lump-sum compensation for the damage caused by the delay in the amount of 0.5% of the total delivery value of the affected items from the respective individual contract, starting from the first day of delay per calendar day. This is limited to a maximum of 5% of the total delivery value of the affected order items of the respective individual contract. AUNDE reserves the right to prove that higher damages have been incurred. The suppliers reserve the right to prove that no damage or significantly less damage has been incurred. The lump-sum compensation according to section 3.5 is due without the need for a provision upon acceptance of the contracted products and performance.
- 3.6 Unconditional acceptance or unconditional payment of a delayed delivery and / or service does not constitute a waiver of AUNDE's claims due to the delayed delivery or service.
- 3.7 If documents or information are required for the respective fulfillment of the contractual obligations that AUNDE did not hand over to the supplier at the time of the conclusion of the individual contract, the supplier may only invoke contributory negligence for the delay in delivery and / or performance on the part of AUNDE if the supplier has issued a written reminder for the required documents or information and has not received them within a reasonable period of time.
- 3.8 The supplier must bear the provable costs that arise as a result of a breach of duty by the supplier in case of a disruption risk to operational processes in production due to non-compliance to the agreed delivery and service dates. Statutory claims for damages apply to the full extent. Thus, resulting costs due to production disruption at AUNDE and / or customers along the supply chain up to the respective OEM are to be borne by the supplier - under consideration of the economic perspective and within a reasonable framework.

## 4. Transfer of risk

The risk of accidental loss and deterioration of the delivered goods is transferred from the supplier to AUNDE only upon delivery and handover to the specified destination.

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## 5. Transfer of ownership

Ownership of the delivered contracted products passes to AUNDE after the invoice has been paid. Any extended or expanded retention of title by the supplier against AUNDE is excluded.

## 6. Packaging

- 6.1 The supplier is obliged to ensure that the contractual products are delivered by use of suitable means of transport so that transport damage and / or quality degradation of goods is avoided. The packaging materials used by the supplier to achieve this purpose are required be environmentally friendly and / or recyclable.
- 6.2 Specific packaging properties defined within the respective technical delivery terms and conditions have to be followed when delivering customer-specific contracted products (applies in particular to manufacturing materials and components).

## 7. Prices / terms of payment

- 7.1 Prices agreed between the supplier and AUNDE for contracted products apply.
- 7.2 The agreed price includes transport packaging, freight, postage, transport insurance and customs duties. Value added tax shall be shown separately.
- 7.3 Payments are made within 15 days with a 3% discount or within 30 days net. The payment period begins after receipt of the invoice and receipt of the goods. AUNDE's payments are due on the 1st and 15th of each month. In addition, when issuing the invoice, the supplier is obliged to include
  - 1. the order number and the order date,
  - 2. the specific designation of the contracted product,
  - 3. the delivery note number and the date of the delivery note, as well as
  - 4. the VAT identification number.
- 7.4 In the event of non-contractual delivery and performance by the supplier, AUNDE can set off counterclaims and assert rights of retention in accordance with the statutory provisions. AUNDE is therefore entitled to withhold the payment claim until the supplier has duly performed.
- 7.5 AUNDE shall only be in default of its payment obligations under the individual contract after prior written reminder from the supplier.

## 8. Warranty / receipt of goods / notification of defects

- 8.1 The limitation period for warranty claims by AUNDE is 24 months after the transfer of risk of the contracted product or upon complete performance of a service and unconditional acceptance by AUNDE, unless a longer period is stipulated by law for the contractual product and / or the service.
- 8.2 An incoming goods inspection of the contracted products by AUNDE is limited to an inspection as to whether the delivered contracted products show obvious external damage and match the ordered quantities on the delivery note in terms of number of pieces or weight (identity). A complaint period of one week or five (5) working days applies to the aforementioned defects. AUNDE reserves the right to carry out a more in-depth incoming goods inspection. Furthermore, AUNDE issues complaints about defects that can be determined within the normal course of business. For all other open defects as well as hidden defects, a notification period of two (2) weeks from discovery shall apply. In this respect, the supplier waives the objection of late notification of defects. For suppliers whose contracted products provided are production materials and production components (customer-specific products), the provisions

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agreed in a separate framework agreement shall apply with regard to the incoming goods inspection and notification of defects - insofar as a framework agreement exists between the business partners.

- 8.3 In the event of non-compliance with the agreed quantity, delivery date, destination and packaging of the contracted product, AUNDE reserves the right to refuse acceptance of the goods. Likewise, acceptance of the goods may be refused if the accompanying papers or required documents of the contracted product are incomplete.
- 8.4 If a complaint is made and a new contracted product is delivered or repaired by the supplier within the scope of subsequent performance, the warranty period in accordance with section 8.1 for the replaced or repaired contracted product shall begin again from the time of the transfer of risk of the new delivery.
- 8.5 Following refusal of subsequent performance or in the event of one unsuccessful subsequent performance by the supplier, AUNDE is entitled to withdraw from the individual contract, to reduce the purchase price and / or to claim damages, in accordance with the statutory provisions. To the extent permitted by law, AUNDE is also entitled to dispose of or return the defective contracted product and to charge the costs to the supplier if the supplier does not collect and/or dispose of the defective contracted product from AUNDE within 14 days.

## 9. Force Majeure

- 9.1 An occurrence of force majeure shall release the contractual partner affected by the force majeure from the agreed performance obligations for the duration of the disruption and to the extent of its effect. Force majeure occurs if it is caused by an event through no fault or negligence or gross negligence of its own, such as a natural event, official measures, fire, floods, storm, explosions, riots, wars, sabotage or injunctions by a court. The affected contractual partner is obliged, within reason, to immediately provide the necessary information in writing (including a description of the cause of the event, a realistic estimate of the duration of the event, measures taken to resume performance and delivery plans for the delivery of the goods during the period of delay) and to adjust its obligation to the changed circumstances in good faith.
- 9.2 During Force Majeure, AUNDE can choose to purchase the required contracted products from other sources (suppliers) and reduce the delivery schedules by the corresponding amount without liability to the supplier. AUNDE is released from the obligation to purchase the contracted products or the services in whole or in part and is entitled to withdraw from the individual contract if the deliveries / services can no longer be used or the use is no longer reasonable due to the delay caused by the force majeure for AUNDE – while taking economic aspects into account.

## 10. Quality and sustainability / regulations and obligations

- 10.1 This section relates in particular, but not exclusively, to suppliers whose contracted products contain customised products (production materials and components) and safety-related goods for manufacturing. Suppliers of standard products are partially exempt from this section but shall ensure compliance with the regulations and obligations of their industry. Irrespective of this section, any legal regulations and obligations for companies with regard to social / ethical due diligence as well as ecological responsibility and the associated standards to be complied with shall apply. AUNDE is entitled to terminate the business relationship with immediate effect in case of disregard and / or violation of the aforementioned legal regulations and obligations.
- 10.2 AUNDE's supplier for customised products (production materials and components such as yarn, foam, textile surfaces, etc.) shall strive for a qualified quality management system according to ISO 9001, an environmental management system according to ISO 14001, an occupational health and safety management system according to ISO 45001 as well as an energy management system according to ISO 50001. Additional regulations with a supplier, whose provided contracted products relate to materials / products to be processed, must be defined within a framework contract that contains a quality assurance agreement (general quality requirements, section 4.2) and shall be considered as an individual agreement between the supplier and AUNDE.
- 10.3 The supplier is also obliged to maintain or further develop his management system so that the quality of the contracted products is maintained or improved. Furthermore, the supplier undertakes to identify and implement improvements within its processes by continuous monitoring the resource consumption during the manufacturing of its products in order to achieve a more efficient consumption of any resources and thus improve its environmental

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performance. The supplier is encouraged to proactively draw AUNDE's attention to possible improvements within its business activities regarding transport systems, means, packaging and possible substitutions with more sustainable products. In addition, the supplier should be able to provide information on the environmental impact caused by the commissioning of AUNDE for quantitative assessments of the resource efficiency of the supply chain, including the following points:

- CO<sub>2</sub> footprint of the products (item specific)
- Total water consumption in cubic meters (m<sup>3</sup>) (item specific)

- 10.4 The supplier must keep implementation records of quality assurance measures, in particular of measured values and test results, and store them systematically. The supplier has to grant AUNDE access to the records to the extent necessary and hand over copies of the recording upon request. These records are to be stored for a period of 15 years following the last delivery to AUNDE by the supplier. Documentation regarding critical safety aspects must be stored for 30 years in a recoverable way.
- 10.5 AUNDE is allowed to audit the management systems as well as relevant measures / activities of the supplier and inspect the necessary documentation. Insights into production processes requiring secrecy or similar trade secrets may be refused with justification.
- 10.6 AUNDE reserves the right to conduct an unscheduled audit on short notice in case of a risk identification at immediate / direct suppliers to ensure the due diligence of companies within the supply chain and duly identified deviations as well as request the initiation of immediate corrective measures. As part of scheduled audits, AUNDE is also obliged to carry out its due diligence and will warn about possible as well as identified risks, requesting the supplier to take immediate corrective action. In the case of non-compliance, the statutory regulations and AUNDE's rights under paragraph 10.1 shall apply accordingly. Furthermore, AUNDE's supplier is also obliged to exercise due diligence and to inform AUNDE of potential risks or incidents in the case of a risk identification and / or a violation of the corporate due diligence of their suppliers.
- 10.7 In the case of agreed targets and / or PPM rates, the supplier shall not be released from its obligations with regard to defective contractual products.
- 10.8 The supplier shall ensure that a REACH registration is available for the contractual products provided, if this is applicable to its products.
- 10.9 When performing a service on the premises of AUNDE, the obligations of the applicable occupational health and safety, environmental protection and fire protection regulations of the site must be adhered to. AUNDE ensures that the supplier's employees are instructed in the safety regulations when they enter the premises. The contractor shall ensure that its employees have all the necessary training and skills for the performance of their duties in order to guarantee the safety of its employees as well as the proper performance of the service. Upon AUNDE's request, the supplier is required to provide the necessary documentation as proof. When providing a service, both parties are obliged to adhere to the above-mentioned regulations as well as to any legal regulations and to take immediate preventive action in case of possible safety risks.
- 10.10 AUNDE always considers energy and / or resource consumption criteria during selection of standard or modified products. Hence, we encourage suppliers to refer to an alternative product or a substitution of individual components of the requested product according to the state of the art when preparing their offer for standard as well as modified products that consume energy resources and / or other resources during use, as long as these products have a lower energy consumption and / or resource consumption and are almost identical in terms of their design and the nature of the product. The specific energy consumption of the product or equipment shall be stated when submitting a quotation,
- 10.11 CE conformity is to be attested for modified products (e.g. machines and systems) that fall under the EU Machinery Directive, and the appropriate documentation (with associated manual) must be handed over upon delivery.

## 11. Traceability

- 11.1 The supplier is obligated to label all contractual products - as far as geometrically and technically possible - as well as the packaging with appropriate traceability characteristics for each individual contractual product (e.g. article number, serial number) or production lots (e.g. batch number). Furthermore, the supplier shall document and



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archive these traceability characteristics. At AUNDE's request, the supplier shall provide the relevant information. Furthermore, the supplier ensures that test data, test protocols and test results of the contractual products can be verifiably associated with the respective traceability data and that defective contractual products can be identified unambiguously.

- 11.2 Product markings to be stipulated in the technical terms of delivery shall also apply to customer-specific products (production materials and production components).
- 11.3 Suppliers of certain contractual products are obliged to provide a written declaration on the customs origin of the products supplied, when importing into the customs territory of the EU. The supplier shall notify AUNDE in advance of any requirements, information and data that AUNDE needs to comply with the applicable foreign trade law regarding the contractual product, at least in text form. A change of origin must be indicated immediately and unrequested. The supplier is liable for any expenses and damages incurred due to improper or delayed submission of the declaration of origin.

## 12. Confidentiality

The supplier and AUNDE commit themselves to treat the confidential information discretely and not to disclose it to third parties.

## 13. Data protection

The contracting parties both commit to comply with all data protection laws and the related requirements that apply to the fulfilment of their contractual obligations.

## 14. Corporate responsibility

- 14.1 Both contract parties commit themselves in the following sense to their social responsibility and duty of care in the context of their worldwide entrepreneurial activities. Therefore, both contract parties pledge to comply with the contents of the valid Code of Conduct of the AUNDE Group, which is based on the Code of Conduct of the German Textile and Fashion Industry Association (Gesamtverband der deutschen Textil- und Modeindustrie). The Code of Conduct defines what social responsibility means to AUNDE, in particular with regard to working conditions, safety at work, social and environmental compatibility as well as transparency, trusting cooperation and communication.
- 14.2 AUNDE provides the supplier with the Code of Conduct, with the obligation of a written confirmation of compliance with the content of the regulations.
- 14.3 Furthermore, the supplier commits not to procure raw materials from regions or countries or to use them in the contractual products where serious ethical and / or environmental concerns are legitimately raised.

## 15. Law / place of jurisdiction

- 15.1 The individual contract shall be governed exclusively by German law. The provisions of the Vienna UN Convention (CISG) on Contracts for the International Sale of Goods (UN Sales Convention) are excluded.
- 15.2 The exclusive place of jurisdiction for any disputes relating to an individual contract is Mönchengladbach, Germany.



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### 16. Written form / assignment / acknowledgment

- 16.1 There are no verbal ancillary agreements. Any amendments and supplements to the General Purchase Terms and Conditions require the written form and the mutual consent of the contracting parties. The same applies to the waiver of the required written form or to its cancellation. Primacy of the individual of an individual agreement under § 305 b of the German Civil Code (BGB) shall remain unaffected.
- 16.2 Unilateral declarations or notifications in accordance with these General Purchase Terms and Conditions generally require text form.
- 16.3 The supplier may assign rights and obligations arising from or in connection with these General Purchase Terms and Conditions only with prior written consent of AUNDE. The validity of the assignment of a pecuniary claim pursuant to § 354 a HGB remains unaffected.
- 16.4 Acknowledgement of breaches of duty on the part of AUNDE always require the written form.