

General conditions of purchase

1. Scope

These General Conditions of Purchase shall apply to all purchase contracts of COPERION GmbH (hereafter called "Coperion"). Unless otherwise agreed in the written purchase order, Coperion's General Conditions of Purchase shall govern exclusively. Any other or supplementary conditions of the supplier shall not apply, irrespective of the manner in which they are notified to Coperion. This shall apply in particular in the event that Coperion accepts performance of the supplier without expressly objecting to supplier's conditions, even if Coperion has knowledge of such conditions.

2. Order placement

Orders placed by Coperion shall not be effective unless in writing. Orders placed orally or by telephone by employees require written confirmation by Coperion in order to be binding, unless otherwise agreed in writing in individual cases. The entire agreement between the parties is set down in writing in the contract, including these General Conditions of Purchase. Coperion's employees are not permitted to agree to provisions deviating from the written contract.

3. Compliance with foreign trade, customs, and other regulatory requirements

3.1 The supplier is obliged to comply with the economic sanctions, export control regulations and anti-boycott regulations applicable to it ("Applicable Foreign Trade Law").

3.2 In the event of a cross-border delivery, the supplier shall be obliged in due time to make all notifications required for the export and, to the extent necessary, obtain the authorizations required under the applicable foreign trade law.

3.3 The supplier warrants that, at the time of conclusion of the contract, neither supplier nor any natural or legal person exercising legal or actual control over supplier are subject to economic sanctions of the EU or the Federal Republic of Germany. The same shall apply to economic sanctions under US law, insofar as these are compatible with the anti-boycott provisions applicable in the EU and the Federal Republic of Germany.

3.4 The supplier is obliged to obtain and provide Coperion with all information and documents required for importation immediately upon conclusion of the contract. This also applies to information and documents required for subsequent exports or re-exports. The obligation applies in particular, but is not limited to: customs and tax tariff codes, certificates of origin, shipping and transport documents, supplier declarations of preferential origin, dual-use classification, Export Control Classification Number according to the U.S. Commerce Control List (ECCN). If relevant changes occur after information has been communicated or documents have been sent, the supplier must communicate these immediately.

3.5 The supplier shall be obliged to comply with all regulatory requirements applicable to it in connection with the delivery and to indemnify and hold Coperion harmless against claims by third parties arising from a breach of such regulations, unless it proves that it is not responsible for the breach. In addition, supplier shall be obliged, upon Coperion's request, to obtain and provide information and documents which are necessary to enable Coperion to comply with all regulatory requirements arising from the delivery. Regulatory requirements in this sense result, for example, but not exclusively, from the following regulations: Product Liability Law, Environmental Protection Law, Act on Corporate Due Diligence Obligations in Supply Chains, U.S. Conflict Minerals Law, Dangerous Goods Regulations, EU Chemicals Regulation (REACH), Regulation 2002/95/EC on the restriction of the use of certain hazardous substances in electrical and electronic equipment, Data Protection Law, Regulations on the protection of business secrets.

3.6 The supplier shall ensure that it acts in accordance with the following code of conduct in connection with this contractual relationship:

3.6.1 Declaration on Human Rights Due Diligence in Supply Chains

3.6.2 Code of Ethical Business Conduct

3.6.3 Global Anti-Corruption Policy

3.7 All the above documents can be obtained in German, English and other languages from the Coperion homepage (<https://www.coperion.com/en/about-us/our-business/code-of-business-conduct>) or directly from the following link: <https://ir.hillenbrand.com/corporate-governance/ethics-compliance>.

3.8 In the event of breaches by the supplier of the obligations set out in this Clause 3, Coperion shall be entitled to suspend performance of the contract or, at its discretion, decide to rescind or terminate the contract if the breach cannot be remedied within a reasonable period of time or if the breach is material.

3.9 Coperion shall be entitled to rescind the contract if the execution of the contract violates regulatory requirements, if there is or reason to believe that it could violate regulatory requirements, or if the import or placing on the market (Inverkehrbringen) of the delivered goods is not possible due to such violation, or if there is reason to believe that the goods cannot be imported or placed on the market. Coperion shall be entitled to refuse performance of contractual obligations if performance would violate economic sanctions pursuant to Clause 3.3.

3.10 In the event of breaches by the supplier of the obligations set out in this Clause 3, the supplier shall be obliged to pay damages unless it proves that it is not responsible for the breach. The damages shall also include reasonable compensation for damage to Coperion's reputation.

4. Delivery deadlines

4.1 Timely delivery is a prerequisite for the fulfillment of the order. An agreed delivery deadline or delivery period commences as of the day the order is placed. The supplier undertakes to strictly comply with the agreed deadlines and periods. The receipt of the goods at the place of use specified by Coperion shall be decisive for compliance with the delivery deadline or delivery period.

4.2 As soon as the supplier has reason to believe that it will not be able to deliver the goods in time, either in whole or in part, it shall notify Coperion thereof without delay, stating the reasons and the presumed duration of the delay; this shall not alter its contractual obligations.

4.3 If the agreed deadlines and periods are not met due to circumstances for which the supplier is responsible, Coperion shall be entitled, after unsuccessful expiry of a reasonable grace period set by Coperion and without prejudice to further statutory claims, at Coperion's discretion to withdraw from the contract, to purchase replacements from a third party and/or to claim damages under the statutory conditions.

4.4 If delivery is delayed due to the effects of nature, a state of war, seizure by the authorities or other cases of force majeure, Coperion shall be entitled to withdraw from the contract - without prejudice to statutory rights of withdrawal - if the impediment to delivery lasts for such period of time that the delivery is no longer of interest to Coperion, in particular as a result of the withdrawal of its own customer based on the delay in delivery.

4.5 In the event of delay by the supplier, Coperion shall be entitled to demand payment of a contractual penalty amounting to 0.3% of the agreed net purchase price per business day of delay, but not exceeding 5% of the agreed net purchase price. The assertion of the contractual penalty shall neither exclude Coperion's right to claim for performance in accordance with the contract nor Coperion's right to claims for damages; however, a paid contractual penalty shall be credited against a claim for damages. Coperion reserves the right to claim a contractual penalty in any case until payment of the final invoice.

5. Execution

5.1 Any requirements regarding execution of the contract must be strictly observed. All costs and damages resulting from non-compliance with such requirements shall be reimbursed by the supplier, unless it proves that it is not responsible for the non-compliance.

- 5.2 Delivery of insufficient or excess quantities are only permissible on prior instruction or with the prior consent of Coperion.
- 5.3 If the delivery item is intended by Coperion for the execution of an order by its customer, Coperion may declare its withdrawal from the contract if the execution of the customer's order will not take place for reasons for which Coperion is not responsible. In this case, Coperion shall reimburse the verifiable costs incurred up to the date of receipt of the declaration of withdrawal by the supplier, plus the calculated profit surcharges attributable thereto.
- 5.4 On the basis of the specifications of Coperion's customers, Coperion may demand modifications to the delivery item, to the extent such modifications are reasonable for the supplier in terms of their type, scope, and expense. Any additional costs due to a modification shall be borne by Coperion, provided Coperion has been notified in advance, Coperion is provided with evidence, and they are otherwise reasonable. Effects on delivery dates and delivery periods due to such modifications shall be reasonably taken into account in favor of the supplier.
- 6. Shipping**
- 6.1 Shipment shall be made to the delivery address specified by Coperion. All costs of shipment, including but not limited to the costs of any required customs or export control export declarations, transport, and packaging, shall be borne by supplier.
- 6.2 The risk shall not pass until Coperion has inspected and accepted the goods. The statutory passing of risk in the event of delay of acceptance shall remain unaffected.
- 6.3 Two copies of the dispatch notice shall be sent to Coperion on the day of loading. The notice must clearly state the contents of the delivery. Accordingly, a precise description of the delivery item, the quantity (number of items), dimensions, weights, etc. as well as details of the shipping terms and Coperion's order number are required. An invoice shall not constitute a notice of dispatch. Deliveries received without proper dispatch notice shall not be deemed to constitute fulfillment until receipt of a proper notice.
- 7. Warranty**
- 7.1 The supplier warrants that the goods and services conform to the agrees specifications and are customary for goods of the same kind, and correspond to the current state of the art, the generally accepted principles of technology, the contractual description, the technical specification as well as the other conditions of the respective order and do not have any defects which deprive or reduce the value or the suitability for the normal use or the use assumed when the order was placed. All delivered parts must be new. The design of the goods must be based only upon field-proven construction and manufacturing methods. If deviations from these regulations are necessary in individual cases, the supplier must obtain Coperion's prior written consent for any such deviation.
- 7.2 If the supplier has reservations regarding the type of execution requested by Coperion, it shall notify Coperion thereof in writing without delay.
- 7.3 The contractually agreed specifications shall be deemed to be contractually agreed characteristics (vereinbarte Beschaffenheitsmerkmale) or agreed data of the object of the good or service.
The supplier shall inform Coperion before engaging a subcontractor for essential components. Coperion may in its reasonable discretion object to the engagement of a subcontractor if there is a justifiable reason regarding the person of the subcontractor.
The warranty shall also apply if Coperion has made specifications or issues requirements with regard to the good or service; the supplier shall in any case review such specifications and requirements and, if necessary, notify Coperion of any concerns.
- 7.4 The warranty period pursuant to Section 438 of the German Civil Code (BGB) shall commence with the commissioning and acceptance of the delivery item at Coperion's customer, but shall end no later than 5 years after delivery. For recourse claims within the scope of the supplier's recourse, the

- limitation period shall be determined in deviation from this in accordance with Section 445b of the German Civil Code (BGB). Insofar as longer limitation periods result from Sections 438 Para. 1 No. 2, 634a Para. 1 No. 2, of the German Civil Code (BGB), these shall remain unaffected by the above provision; this shall also apply to the statutory provisions on the recommencement and suspension of the limitation period. The agreed warranty period shall be extended in each case after notice of a defect by the period during which the delivery item cannot be put into operation as a result of a defect covered by warranty.
- 7.5 If a defect covered by warranty occurs in the good during the warranty period, the supplier shall remedy the defect at its own expense, at Coperion's discretion, by replacement or repair at the location of the defective good.
The supplier shall examine notified defects without delay, but no later than 3 business days from the date of notice.
The defect shall be remedied without delay after receipt of the notice of defect, taking due account of Coperion's best interests, and if necessary, also at night or on Sundays and public holidays. Coperion shall set the supplier a reasonable deadline for such remedy.
Coperion shall inspect the delivery items upon receipt for obvious transport damage, deviations in quantity, or wrong goods. Coperion shall immediately notify the supplier in writing of any other defects in the delivery as soon as they are discovered in the ordinary course of business. In this respect, the supplier waives the objection of delayed notification of defects.
The warranty period for repaired or replaced delivery items within the scope of the warranty obligations shall start anew upon recommissioning and shall be 24 months. For delivery items which could not remain in operation due to warranty defects, a current warranty period shall be extended after notification of the defect by the time of the interruption of operation.
Defective delivery items that have been replaced shall be returned to the supplier at the supplier's request and expense.
- 7.6 If the supplier has not remedied the defect in due time or refuses to remedy the defect, Coperion shall be entitled to remedy the defect or have it remedied at the supplier's expense. Other statutory warranty rights remain unaffected and are available to Coperion without restriction.
Warranty work which cannot be postponed may be carried out by Coperion itself after consultation with the supplier at the supplier's expense with the best possible care or by third parties. This shall not affect the supplier's warranty obligation.
A defect shall also be deemed to exist if the supplier's assembly instructions are defective. Even if the supplier has not carried out the assembly of the good itself, it shall be subject to the above warranty obligations in this case.
- 8. Third party rights**
- The supplier warrants that the delivery item is free from third party rights and that the delivery or use of the delivery item does not infringe any third-party rights. If rights should be asserted by third parties, Coperion may demand that the supplier indemnifies and holds Coperion harmless against all claims and compensates Coperion or Coperion's customer for any damage incurred, including any necessary costs of legal defense, unless supplier proves that it is not responsible for the infringement. Coperion shall also be entitled to obtain authorization for commissioning and use of the delivery item from the party asserting such claim at the supplier's expense.
- 9. Drawings, know-how and other documents and data**
- 9.1 Documents and data of any kind which Coperion makes available to the supplier, such as samples, drawings, models and the like, shall remain the property of Coperion and may not be used for other purposes or made available to third parties.
Such documents and data shall be returned to Coperion without separate request, and all copies (whether paper or digital) shall be destroyed if no purchase order is placed or if such documents and data are no longer required for the preparation or execution of the order.

- 9.2 Documents and data provided by Coperion must be checked by the supplier for completeness and dimension-related accuracy before submitting a quotation or starting production and, if necessary, corrected after consultation with Coperion. Any missing drawings must be requested from Coperion without delay. Additional work and associated costs arising from remaining errors shall be borne by the supplier.
- 9.3 The means of production performed by the supplier according to specifications, documents, or data from Coperion, such as for example swages, gauges, dies, models, samples, tools, molds, welding templates, CNC programs and the like, may only be used by the supplier for the execution of orders for Coperion. They may neither be used by the supplier for its own purposes nor offered or made accessible to third parties.
- 9.4 All documents and data and other means of production shall be insured by the supplier against damage and loss at no cost to Coperion as long as they are in the supplier's possession.
- 9.5 After completion of the goods or service, the supplier shall send Coperion the drawings, calculations and other technical documents relating to the delivery item in the required number and corresponding to the actual execution. These documents and data shall be updated as soon as subsequent changes are made to the delivery item.
The supplier is obliged to transfer ownership of these documents or data to Coperion free of charge. This shall not affect the intellectual property rights of such documents or data.
- 9.6 Coperion or third parties commissioned by Coperion may use these documents and data free of charge to carry out repairs and modifications and to manufacture spare parts.
- 9.7 For built-in parts procured according to lists and catalogs, the documents and data supplied by the manufacturer shall suffice insofar as Coperion requires them for repairs and/or new procurements.
- 9.8 Coperion's approval of drawings, calculations and other technical documents shall not affect the supplier's warranty and guaranty obligations with regard to the delivery item. This shall also apply to suggestions and recommendations made by Coperion, unless expressly agreed otherwise.
- 9.9 Inventions or improvements made by supplier in the course of the performance of the order shall belong to Coperion. Supplier agrees to assign to Coperion all rights relating thereto without any claim for further compensation and undertakes to support Coperion to the best of its ability in the registration of such rights. Coperion shall reimburse supplier for any necessary costs incurred in connection with such support. Supplier shall enter into valid and sufficient agreements with its employees which ensure the transfer of rights to Coperion.
- 9.10 All documentation that results from engineering services paid for by Coperion shall belong to Coperion. This applies in particular to drawings, bills of materials, etc.
- 9.11 This provision shall apply accordingly to the know-how made available to the supplier by Coperion.
- 10. Invoicing and payment**
Invoices shall be sent to Coperion in duplicate and shall not be enclosed with the shipment of the delivery item. A separate invoice shall be issued for each purchase order number. Each invoice shall show Coperion's purchase order number. Invoices which do not comply with the above provisions shall not become due for payment.
Unless otherwise agreed, Coperion shall make payments in EURO at its discretion either within 14 days less 2% discount or within 60 days net after complete receipt of the goods or service and proper invoicing.
Payment shall not affect the supplier's warranty. If Coperion discovers a defect in the delivery items which are subject to warranty, Coperion shall be entitled to retain a part of the price corresponding to the significance of the defect until the defect has been remedied. In this case, the payment period shall commence at the time the defect is duly remedied. Any assignment of the supplier's claims for payment shall require the prior written consent of Coperion. Section 354a of the German Commercial Code (HGB) shall remain unaffected.

- 11. Retention of ownership and transfer of ownership by way of security**
- 11.1 Goods made available by Coperion to supplier shall remain the property of Coperion. In the event of combination, comingling or processing with third-party goods, Coperion shall acquire pro rata co-ownership of the uniform or new item in the ratio corresponding to the value of the goods supplied by Coperion in comparison with the value of the uniform or new item.
- 11.2 Coperion shall become co-owner of the delivery item finished or in the process of being finished by the supplier pro rata in proportion to any pre-payments paid by Coperion to the entire contractually agreed compensation (excluding transport costs and other ancillary costs). Any co-ownership shares according to Clause 11.1 shall remain unaffected.
- 11.3 Reservation of ownership clauses of the supplier which restrict Coperion in the customary commercial use of the delivery item, including resale, shall be invalid; this shall apply in particular to clauses which exclude the transfer of the goods, that contractually exclude the assignment of the receivables from the resale, or which provide for a repossession of the delivery item in deviation from the statutory provisions.
- 12. Damaged Products**
The supplier shall indemnify and hold Coperion harmless from and against any and all claims asserted against Coperion by third parties, irrespective of the basis of the claim, alleging that a Coperion product is defective, insofar as the cause of the defect originates from supplier's sphere of organization and influence. In the event of liability dependent upon culpable conduct, however, the aforesaid shall not apply, if the supplier proves that he did not act in a culpable manner with respect to the defect.
- 13. Liability**
- 13.1 The supplier's liability for damages shall be determined exclusively in accordance with the applicable statutory provisions.
- 13.2 Coperion shall be liable without limitation pursuant to the relevant statutory provisions for damages caused by intentional misconduct or gross negligence, as well as for personal injury. In the event of slight negligence resulting in a breach of primary contractual duties which are indispensable for achieving the purpose of the contract and on strict compliance with which the supplier must therefore be able to rely (wesentliche Vertragspflichten), Coperion shall be liable in accordance with the statutory provisions, limited to such damages as were foreseeable for Coperion in terms of type and scope when entering into the contract, however, liability for personal injury remains unaffected also in this case. In all other cases, the liability of Coperion for direct and indirect damages, based on whatever legal grounds, shall be excluded, including any damages claims for breach of pre-contractual duties and in tort.
- 14. General**
- 14.1 The place of performance for deliveries shall be the shipping address specified by Coperion or, in the absence of such specification, Coperion's plant.
- 14.2 The exclusive place of jurisdiction for all disputes arising from the contract is Stuttgart (Germany). Coperion, however, shall have the right to file a lawsuit at any place of jurisdiction established for the supplier.
- 14.3 If, in the course of the execution of the contract, declarations are to be made by the parties simultaneously in several languages, the German version shall prevail in each case.
- 14.4 This contract shall be governed by the laws of the Federal Republic of Germany with the exception of its conflict of law provisions and the UN Convention on Contracts for the International Sale of Goods (CISG).
- 14.5 Should any provision in Coperion's Conditions of Purchase or in supplementary agreements be or become invalid, the remaining provisions shall not be affected thereby. The invalid provision shall be replaced by the corresponding statutory provisions.

- 14.6 The supplier shall treat as confidential all commercial and technical details which are not in the public domain and which become known to him as a result of the business relationship, even after termination of the contractual relationship, and not to make them available to any third party.
- 14.7 The parties undertake to take all necessary measures to avoid corruption, so that in particular no contributions or other advantages are offered or accepted. A breach of this integrity clause may lead to premature termination of the contract by Coperion for good cause.

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