

General Terms and Conditions of Purchase

1. Scope

- 1.1 These General Terms and Conditions of Purchase (“GT&CP”) shall apply to all orders and contracts of LACTALIS Gruppe GmbH and its German affiliates (e.g. Lactalis Deutschland, Lactalis Holländischer Käse, Omira, Omira BodenseeMilch, Omira Milchunion Süd, Ravensburg Milchwerke, Neuburger Milchwerke, Würzburger Milchwerke, Routhier Mediterranean Products) (hereinafter each individually referred to as “Purchaser”) for the purchase and/or delivery of movable goods (hereinafter referred to as “Goods”) or the procurement of services (hereinafter referred to as “Services”), if the contractual partner (hereinafter referred to as “Supplier”) is not a consumer as defined in Section 13 BGB (German Civil Code).
- 1.2 These GT&CP shall also apply in particular to orders and contracts for the purchase of foodstuffs, feedstuffs, pharmaceutical and cosmetic products as well as the auxiliary and raw materials required for their manufacture and packaging which are subject to special regulatory requirements (hereinafter referred to as “Special Goods”) and to which the special contractual provisions pursuant to Clause 8 of these General Terms and Conditions of Purchase shall additionally apply.
- 1.3 These GT&CP shall apply exclusively. Any terms and conditions deviating from, conflicting with, or supplementing these GT&CP shall be excluded. General terms and conditions of sale, delivery or other terms and conditions of the Supplier shall only apply if and to the extent that the Purchaser has expressly agreed to their application in the individual case. These GT&CP shall also apply to all future orders and contracts, even if the Purchaser does not make specific reference to them.
- 1.4 Any reference to an offer, a letter, an e-mail or other declarations of the Supplier which contain or refer to deviating, conflicting or supplementary terms and conditions or the unconditional acceptance of deliveries as well as their payment in knowledge of such terms and conditions shall not constitute an agreement of the Purchaser, and these GT&CP shall apply exclusively also in such cases.

2. Conclusion of a Contract

- 2.1 Any inquiries of the Purchaser are subject to change and non-binding.
- 2.2 All offers made by the Supplier shall be deemed to be a binding contractual offer. Unless otherwise stated in the offer, the Purchaser is entitled to accept such a contractual offer within 10 days of receipt by placing an order.
- 2.3 The contract concluded with the offer of the Supplier and the order of the Purchaser reflects the agreement between the Supplier and the Purchaser in full, and any verbal agreements between the contracting parties are replaced by this contract, unless they expressly state that they continue to be binding. Supplements and amendments to the contract, including these GT&CP, must be made in writing or text form (e.g. by letter, fax or e-mail) to be effective.

3. Delivery, Transfer of Risk, Acceptance of the Goods

- 3.1 Deliveries must correspond to the agreements made in terms of execution, scope, and scheduling, and must be made on time, within the agreed deadlines.
- 3.2 Unless expressly agreed otherwise, deliveries shall be made under **Incoterms®2020 DDP** to Purchaser at the location stated in the order of the Purchaser.
- 3.3 The Supplier must provide a certificate of origin concerning the origin of the Goods or attach a movement certificate to them if they are covered by a preferential agreement and autonomous preferential measures are taken. If an import of the Goods depends on applications, the Supplier must comply with the necessary preconditions and measures.
- 3.4 The Supplier bears the procurement risk with regard to self-supply by its suppliers. Any reservations of self-delivery on the part of the Supplier shall not apply.
- 3.5 The Supplier bears the risk of accidental loss and accidental deterioration of the Goods until they arrive at their place of destination.
- 3.6 Furthermore, the Purchaser is only obliged to accept deliveries if they comply with the agreed specification features or have the other guaranteed features.

4. Partial, Excess or Short Delivery

- 4.1 Partial deliveries require the prior written consent of the Purchaser. In such cases, the outstanding remaining quantity must be listed on the delivery note. If the Purchaser accepts partial deliveries without prior consent, this shall not cause any early maturity of payment obligations or constitute consent to the assumption of additional transport costs.
- 4.2 The Purchaser reserves the right to acknowledge excess or short deliveries in individual cases. If excess deliveries are made without prior written consent, the Purchaser shall be entitled to refuse acceptance of the excess quantity or the complete delivery. Insofar as the Purchaser cannot reasonably be expected to separate the quantities or such separation is not practically possible, the Purchaser shall be entitled to store excess deliveries at the Supplier's expense or to return them to the Supplier at the Supplier's expense and risk.

5. Deadlines & Delays

- 5.1 The delivery or service time stated by the Purchaser in the order is binding.
- 5.2 The receipt of the defect-free Goods or the performance of the Services at the place of destination shall be decisive for the compliance with agreed periods and dates.
- 5.3 As soon as the Supplier realises that it will be unable to meet agreed deadlines and dates in full or in part, it shall inform the Purchaser thereof, stating the reasons and the expected duration of the delay. Such notifications shall not affect the rights and claims to which the Purchaser is entitled in the event of a delay.
- 5.4 If the Supplier is in default, the Purchaser may - in addition to further statutory claims - demand a lump-sum compensation for the damage caused by the delay in the amount of 1 % of the net price per completed calendar week, but in total not more than 5 % of the net price of the Goods or Services the delivery of which has been delayed. The Purchaser reserves the right to prove that a higher damage has occurred. The Supplier reserves the right to prove that no damage at all or only a significantly lower damage has occurred.

- 5.5 The Supplier shall deliver during the Purchaser's normal business hours as set out on the order of the Purchaser.
- 5.6 Acceptance of any Goods or Services delivered or rendered after the specified delivery or service date shall not be construed as a waiver of any of Purchaser's rights or remedies.

6. Prices, Packaging, Shipping

- 6.1 Agreed prices are fixed prices and exclude subsequent claims by the Supplier. Unless expressly agreed otherwise, the costs for packaging, transport to the place of destination and all other possible ancillary costs are included in the prices.
- 6.2 The Goods must be transported in such a way as to avoid damage or spoilage in transit. Public law regulations or individual agreements on shipping, e.g. for the transport of temperature-controlled Goods, must be complied with.
- 6.3 If Goods to be delivered must be marked or packaged in accordance with special national or international shipping regulations, the Supplier shall do so even in the absence of an express request.
- 6.4 Order numbers, batch numbers, Supplier's name, the designated recipients, article description and number, description of the Goods, country of origin, currency information, minimum durability date or use by date (if applicable) as well as the correct place of receipt of the Goods must be stated in all shipping documents.

7. Invoices, Payment, Right to Set-Off, Retention

- 7.1 Invoices must be submitted in a form that is suitable to being audited, containing all mandatory details required by applicable law after complete delivery free of defects and submission of documents for each order. Invoices may be rejected if they are not suitable to being audited, or if they fail to meet the legal requirements.
- 7.2 All Invoices shall be sent to the Purchaser by e-mail in pdf format to the e-mail address indicated in the order of the Purchaser.
- 7.3 Unless otherwise agreed in writing, payments shall be made within **45 days net**. The payment period runs from receipt of the invoice, but not before the contract has been fulfilled without defects. Payment shall be deemed to have been made when the Purchaser has instructed the bank to make the payment on the last day of the period.
- 7.4 The Purchaser does not owe any interest on the due date. The statutory provisions shall apply to payment defaults.
- 7.5 The Purchaser shall be entitled to rights of set-off and retention as well as the defence of non-performance of the contract to the extent provided by law. In particular, the Purchaser shall be entitled to withhold payments due as long as the Purchaser is still entitled to claims against the Supplier arising from incomplete or defective performance.
- 7.6 The Supplier shall have a right of set-off or retention only in respect of counterclaims which have been legally established or are undisputed.

8. Zusätzliche Leistungs-, Kontroll- und Sorgfaltspflichten bei besonderer Ware

In the case of the sale and delivery of Special Goods, the Supplier must also observe and comply with the special obligations listed below:

- 8.1 The Supplier of Special Goods is obliged to comply with the relevant national and Community law (in particular - insofar as relevant - the provisions of food law, contact material law and pharmaceutical law). This obligation also extends to sub-legislative guidelines and directives which reflect the prevailing view of the market. It also includes the guarantee of marketability of the Special Goods with regard to composition and labelling and the EU.
- 8.2 The Supplier of packaging (material), food, contact material and articles and/or transport services must administer a GFSI-certified quality management system during the contractual relationship. The Supplier of Special Goods documents his quality assurance measures and archives the documents of the performed checks, measuring and controls for at least 10 years.
- 8.3 The Supplier guarantees complete traceability of the Special Goods and the raw materials used for its manufacture. Regarding foodstuffs, the Supplier warrants traceability according to Reg. 178/2002 within 24 hours. In case of any health hazard, traceability for any Special Good is guaranteed without undue delay. The Supplier ensures the same level of traceability by his suppliers.
- 8.4 Upon delivery of Special Goods, a **"certificate of conformity"** and an analysis report must be provided by the Supplier. If the order refers to specific analytical parameters, the analysis report includes these.
- 8.5 Subject to an agreement on an earlier point of time, the Supplier provides the Purchaser with all necessary information about the Special Goods that the Purchaser needs to label his products legally and completely. This includes indications about origin and specific composition of the product.
- 8.6 The Supplier must inform the Purchaser when submitting the offer if it offers Special Goods which it produces in a country other than that of its place of business or which it obtains from another country. The purchase of the Special Goods from a country other than the country of origin must be approved in advance by the Purchaser.
- 8.7 The Supplier may only entrust third parties with the performance of assumed manufacturing and delivery obligations in respect of Special Goods or a substantial part thereof with the prior written consent of the Purchaser.
- 8.8 Unless expressly agreed otherwise, individual deliveries of Special Goods may only be made from one batch.
- 8.9 The Supplier shall immediately inform the Purchaser in writing of any deviation of the Special Goods from the legal and sub-legal requirements within the meaning of Clause 8.1. Any measures shall be coordinated with the Purchaser. In particular, the Purchaser shall decide - subject to the statutory obligations of the Supplier - on the implementation and communication of product withdrawals and recalls.

9. Warranty

- 9.1 The Supplier must provide defect-free Goods and / or Services. In particular, the Supplier warrants that the Goods / Services comply with the samples, type samples, batch or lot samples, raw material specifications, product, or other specifications on which the contract is based as well as all applicable statutory and regulatory requirements and are fit for the purpose on which the contract is based. The relevant statutory provisions shall apply to the rights of the Purchaser in the event of material defects and defects of title, unless otherwise stipulated below.

- 9.2 Insofar as Regulation (EC) 1907/2006 (REACH Regulation) applies to the deliveries of goods or components of goods and insofar as not expressly agreed otherwise, the respective substances must be registered or authorized in advance.
- 9.3 The Purchaser's commercial obligation to examine the Goods is limited to defects which become apparent during an incoming goods inspection in the course of an external examination, including the delivery documents (e.g. transport damage, short delivery), or which are recognizable during a quality control via a random sampling procedure. Moreover, it depends on the extent to which an investigation is feasible in the ordinary course of business, taking into account the circumstances of the individual case. The Purchaser's obligation to give notice of defects discovered later remains unaffected. Notwithstanding the Purchaser's duty to inspect, a notice of defect by the Purchaser shall in any case be deemed to have been sent without undue delay and in good time if it is sent within three working days of discovery or, in the case of obvious defects, of the arrival of the Goods at the Purchaser's premises.
- 9.4 Limitations or exclusions of liability by the Supplier are not accepted. In the event of defects and in the event of a warranty claim, the Purchaser shall be entitled to the statutory rights in respect of defects. Insofar as individual warranty claims, e.g. on the basis of an assumed durability guarantee, go beyond the statutory defect-related rights, these shall remain unaffected.
- 9.5 A period of 36 months shall apply in each case to defect-related claims subject to the statute of limitations, beginning with the arrival of the Goods at the place of destination. Any longer statutory limitation periods for the limitation of defect-related claims as well as the course of the statutory limitation period for guarantees shall remain unaffected.
- 9.6 If a defect becomes apparent within the limitation period, the Purchaser shall be entitled, at its own discretion, to demand subsequent performance by way of repair, subsequent delivery, or new manufacture within a reasonable period of time. If the Supplier does not fulfil its obligation to remedy the defect within the set period, the Purchaser may remedy the defect itself and demand compensation from the Supplier for any expenses borne or a corresponding advance payment. In the event of defective packaging or incorrect declaration of the Goods, the expenses to be reimbursed to the Purchaser shall also include the costs incurred by the Purchaser as a result of this (e.g. for repackaging or new packaging). In urgent cases, if the Supplier could not be reached and there is a risk of disproportionately high damages, the Purchaser has the right to carry out the supplementary performance at the expense and risk of the Supplier or to have it carried out by third parties. The Purchaser shall inform the Supplier of such measures without delay.
- 9.7 Furthermore, in the event of a material defect or defect of title of the Goods, the Purchaser may reduce the purchase price, withdraw from the contract, and claim damages or the reimbursement of futile expenses in accordance with the statutory provisions.

10. Supplier Recourse

- 10.1 The legally determined recourse claims within a supply chain (supplier recourse according to Sections 445a, 445b, 478 BGB) are available to the Purchaser without restriction in addition to the defect-related claims. In particular, the Purchaser shall be entitled to demand from the Supplier exactly the type of subsequent performance (repair or replacement delivery) which the Purchaser owes to its customer in the individual case. The statutory right of choice of the Purchaser (Section 439 para. 1 BGB) shall remain unaffected.
- 10.2 Before the Purchaser acknowledges or fulfils a defect-related claim asserted by its customer, the Purchaser shall notify the Supplier and request a written statement, briefly setting out the facts of the case. If a substantiated statement is not made within a reasonable period of time and if no amicable solution is brought about, the defect-related claim actually accepted by the Purchaser shall be deemed to be owed to its customer. In this case, the Supplier bears the burden of proof to provide evidence to the contrary.
- 10.3 The Purchaser's claims from supplier recourse shall also apply if the defective Goods have been further processed by the Purchaser or another entrepreneur.

11. Third-Party Property Rights, Ownership

- 11.1 The Supplier shall ensure that the Purchaser does not infringe the industrial property rights of third parties, in particular recipes and manufacturing processes, by using or purchasing the Goods or Services in accordance with the contract. The Supplier shall indemnify the Purchaser against all claims made against the Purchaser for infringement of an industrial property right and shall bear the costs of protecting the rights if the claims are based on a breach of duty due to the Supplier's fault. In the event of a claim being raised the Purchaser shall inform the Supplier immediately.
- 11.2 The Purchaser objects to retention of title regulations of the Supplier, insofar as these go beyond a simple retention of title. Those regulations require a prior written agreement in individual cases. Should it nevertheless come about that sub-suppliers assert property rights, co-ownership rights or liens against the Purchaser or have compulsory enforcement measures carried out, the Purchaser will raise a claim against the Supplier for all damages resulting from this.

12. Product and Manufacturer Liability, Insurance

- 12.1 The non-contractual product and manufacturer liability of the Supplier shall be governed by the statutory provisions. The Supplier shall indemnify the Purchaser against all claims arising from product and manufacturer liability if these are attributable to a defect in the Goods supplied by it, the cause of which lies within its sphere of control or organization and it itself is liable in relation to third parties. Under the same conditions, the Supplier shall also be liable for damages incurred by the Purchaser in such cases as a result of reasonable and necessary precautionary measures, e.g. public warnings or recalls. The Purchaser's right to assert its own claim for damages against the Supplier remains unaffected by this.
- 12.2 Within the scope of its indemnification obligation, the Supplier shall reimburse expenses pursuant to Sections 683, 670 BGB arising from or in connection with a third-party claim, including recall actions carried out by the Purchaser. The Purchaser shall inform the Supplier of the content and scope of recall measures - insofar as this is possible and reasonable - and give the Supplier the opportunity to comment. Further legal claims remain unaffected.
- 12.3 The Supplier undertakes to insure corresponding risks to an appropriate amount, however at least a products liability insurance with a minimum per occurrence limit of indemnity of **€ 5 million**, to maintain the insurance cover at least for the term of the business relationship with the Purchaser, and to prove this to the Purchaser on request by presenting its insurance policy.

13. Quality Assurance

- 13.1 The Supplier undertakes to implement and maintain an appropriate quality assurance system which is state of the art. The Supplier shall ensure through appropriate quality assurance measures that the Goods and the Services comply with quality requirements and specifications agreed.
- 13.2 Furthermore, the Supplier undertakes to provide a proof of the existence of a quality assurance system and showing the quality standards applied to the Purchaser upon the Purchaser's request, and to inform the Purchaser without delay in writing if changes to the quality assurance system occur. If the quality assurance system of the Supplier is certified, the Supplier shall provide a copy of the certificate upon the Purchaser's request and to inform the Purchaser without delay in writing if changes to the certificate occur or the certification expires. The Purchaser shall have access to audit reports on quality carried out by the independent auditors.
- 13.3 The Supplier shall only transfer its delivery or service obligations to subcontractors or third parties with the Purchaser's prior written consent. In case of transfer of delivery or service obligations to subcontractors or third parties, the Supplier shall procure that its subcontractors and third parties shall comply with all legal and contractual obligations.
- 13.4 If the Supplier procures production or test equipment, raw materials, software, services, material or other basic material or services from sub-suppliers ("**sub-supplies**") for the production or quality assurance of the Goods or Services, the Supplier shall include such sub-suppliers in its quality assurance system or to assure through appropriate measures the quality of such sub-supplies. Upon request the Purchaser, the Supplier shall provide a proof showing that the Supplier has assured oneself of the efficiency of the quality assurance system of its sub-suppliers.
- 13.5 The Supplier allows the Purchaser to conduct audits in order to check whether the Supplier's quality assurance measures comply with the Purchaser's requirements ("**audit**"). Upon the Purchaser's written notice an audit can be executed as a system or a process audit. The Supplier allows the Purchaser to enter the factories, laboratories, testing centers, warehouses and other facilities which are production relevant and to examine documents which are quality relevant. The Purchaser accepts reasonable audit restriction which are necessary to secure business secrets of the Supplier or third parties.
- 13.6 The execution of such audits will not affect or in any way restrict Supplier's sole responsibility for the quality of the Goods produced and delivered or of the Services rendered.

14. Confidentiality

- 14.1 Documents and samples made available to the Supplier by the Purchaser are to be treated as confidential and may not be made available to third parties or otherwise used without prior written consent.
- 14.2 The Supplier is obliged to keep confidential all operational data and information of which it becomes aware in connection with the business relationship with the Purchaser, including information about customers of the Purchaser, and to oblige its employees and other vicarious agents accordingly. This does not apply to data that is generally accessible to the public.
- 14.3 Documents or data concerning secret business processes which are disclosed to the Supplier shall be returned by the Supplier to the Purchaser without delay after their use in accordance with instructions, at the latest, however, at the ending of the contract.

15. Anti-Corruption

- 15.1 The Supplier shall comply with all applicable laws related to bribery and anti-corruption and represents and warrants that all its representatives, employees, partners, sub-agents and subcontractors will also comply with the terms of this Clause 15.
- 15.2 The Supplier shall (i) report in writing to the Purchaser any breach or potential breach of this Clause 15 as soon as it becomes aware of them; and (ii) cooperate with the Purchaser and / or any public authorities in relation to any potential breach of this Clause 15 and / or any investigation in respect of matters relating to bribery and corruption
- 15.3 Any breach of this Clause 15 shall be considered a material breach of a contract by Supplier entitling the Purchaser to terminate the contract extraordinarily for good reason.

16. Place of performance, choice of law, place of jurisdiction

- 16.1 Unless expressly agreed otherwise, the place of destination is the place of performance.
- 16.2 These GT&CP and all contracts between the Supplier and the Purchaser shall be governed by the laws of the Federal Republic of Germany. The application of the United Nations Convention on Contracts for the International Sale of Goods of 11.04.1980 (CISG) is excluded.
- 16.3 The exclusive place of jurisdiction for all disputes arising from or in connection with the contract is the place of the registered office of the Purchaser. This shall also apply if the Supplier does not have a general place of jurisdiction in the Federal Republic of Germany or has moved his usual place of residence abroad after conclusion of the contract. However, the Purchaser may sue the Supplier at any other legal place of jurisdiction.