



ANDRITZ Fabrics and Rolls S.p.A. GENERAL PURCHASE CONDITIONS

1- INTRODUCTION

The following terms and conditions apply exclusively to our purchase inquiries and orders, unless otherwise agreed in writing. The company does not consider itself bound by the terms and conditions of the Supplier unless expressly accepted by the company itself in writing. Estimates and advice provided by the Supplier will be a free of charge and not binding on us, while they will be binding on the Supplier. The Supplier is obliged to collect sufficient information on all details concerning the object of the request or of the supply. Purchase orders will only be legally binding if placed on our order forms and legally signed. Any modification or waiver of the order valid and effective only after being agreed for written. These GENERAL CONDITIONS OF PURCHASE OF ANDRITZ Fabrics and Rolls S.p.A. are an integral part of the purchase order/contract and are considered accepted by the Supplier.

2- DEFINITIONS

In the purchase order the terms indicated below have the following meanings:
GENERAL CONDITIONS OF PURCHASE: these are the following conditions. ORDER: defines the obligations and rights between the Buyer and the Supplier for the supply of the Products, Materials and Services. BUYER: The Buyer is identified in ANDRITZ Fabrics and Rolls S.p.A. as the company issuing the order/contract with the Supplier for the supply of Products, Materials, Services described below. SUPPLIER: is the Company that receives the Order from the Buyer for the supply of the Products, Materials and Services described in the contract/purchase order. OPERATIVE HEADQUARTERS of the Buyer: Reutlingen/Germany or Latina/ Italy. MATERIALS, PRODUCTS AND SERVICES / SUPPLY: MATERIALS (Materials in general), PRODUCTS (semi-finished and/or finished products), SERVICES (Services and ancillary services) requested from the Supplier and described in the contract, which will be provided by the Supplier based on the Order.

3- ORDER ACCEPTANCE / ORDER CONFIRMATION

The Supplier must send his order confirmation or his acceptance of the purchase order in writing, no later than 3 (three) working days from the date of receipt. After the aforementioned period without response, the Order issued in accordance with the offer made by the Supplier will be considered accepted. Acceptance of the Order will result in total renunciation of the Supplier's sales conditions, even if attached to the offer or order confirmation.

4-PRICES

Unless otherwise indicated, all prices specified in the Order will be considered fixed and unalterable. No costs or charges of any kind not included in the previously indicated Price will be taken into consideration, unless expressly provided for in the Order. If our Order does not include prices and conditions, which must be established based on subsequent communications, they will become binding only after our acceptance or review/update of the Order in writing.

5- TERMS OF DELIVERY – PACKAGING

The delivery terms indicated in the Order are essential, mandatory, and binding for the Supplier, even if they have not been specifically accepted. Unless otherwise indicated in the order, prices apply DAP (Delivered at Place), delivered to destination, including packaging and storage, in accordance with the Incoterms 2020 rule, latest version. The packaging must be appropriate for the supply delivered and for the means of transport used; consequently, any damage to the supply deriving from inappropriate packaging will be at the expense of the Supplier, even in the case of delivery EXW (ex-works), Incoterms 2020. Unless otherwise indicated in the Order, the delivery of the Materials/Products must be carried out at the Buyer's operating premises. Advance deliveries or advance provision of services will be excluded, unless specifically authorized in writing, as well as partial deliveries and/or undefined services.



The delivered supply must always be accompanied by the original transport document and must indicate all the data of the Order. If foreseen in the Order, the Supplier shall label the various parts/articles according to the Buyer's instructions.

6- DELIVERY DATE – PENALTIES

The delivery date indicated in the Order must be strictly respected; otherwise, we reserve the right to claim further damages for delayed delivery and/or to withdraw from the contract. The date of receipt indicated in the transport documents will be considered as the delivery date. For each partial or complete week of delay on the delivery dates, the penalty foreseen in the Order will apply. In case that the order does not include any penalties, a standard penalty of 1% (0.5% for the documentation) of the total value of the order for each week, or part thereof, of delay in delivery shall be agreed. The application of any penalties shall not preclude the assertion of a claim for possible further damages in case of delay in delivery. Should it become impossible to meet the delivery date due to force majeure or additional instructions issued by us, the Supplier shall promptly notify the Buyer in writing, otherwise a request for an extension of the delivery date cannot be considered. If a justified request for an extension of the delivery date, the new delivery date must be agreed in writing. Force majeure shall be such unavoidable circumstances that could not have been foreseen by the contractual partner who invokes force majeure at the time of signing the contract and which prevent him from fulfilling his contractual obligations. Events or circumstances of force majeure includes without limitation all forms of warfare and natural disasters. Strikes, manufacturing interruptions, delayed deliveries by suppliers, by way of example only, will not be considered as force majeure.

7- INSPECTION – TEST

The Buyer shall carry out all inspections and tests to check the correct and exact performance of the supply of Products and Services during production and after preparation of the Products. For this purpose, the inspectors designated by the Buyer will have the right to access, upon 24 hours' notice, during working hours, the plants/workshops of the Supplier and those of its subcontractors. The Supplier will carry out, at its own expense and under its exclusive responsibility, all the tests and inspections necessary to verify the exact correspondence of the materials and equipment with the characteristics specified in the Order. The test list and schedule must be agreed with the Buyer in good time and will be based on the Order. The Supplier will draw up the appropriate reports of all tests, which he will send to the Buyer. It is the Supplier's responsibility to inform the Buyer of the test dates with sufficient notice in order to allow the Buyer, at his own expense, to have his representative present. Inspections or checks and any temporary acceptance do not release the Supplier from its contractual obligations and responsibilities. It is understood that the attendance of the Buyer's inspectors at the tests shall not in any case limit the responsibilities and guarantees owed by the Suppliers pursuant to the Order.

8- ACCEPTANCE OF PRODUCTS - TRANSFER OF TITLE

The mere delivery of the Products ordered does not imply acceptance of the supply. The specific or tacit acceptance by the Buyer shall only be considered only for Products free from defects and/or imperfections. Title to and ownership of to the Products shall be passed to the Buyer free of all encumbrances or any liens upon delivery.



9- TECHNICAL DOCUMENTATION CERTIFICATIONS

The Supplier must provide to the Buyer all the technical documents required according to the nature of the Products and Services specified in the Order/contract, to be delivered together with the Material or in any case within the indicated time period. The approval of the construction drawings by the Buyer does not relieve the Supplier from any liability for its own Products. The test certificates, the operating and maintenance manual and the spare parts lists necessary for the correct maintenance of the Products must be handed over to the Buyer, at the latest with the delivery of the goods, in the quantity and in the language indicated in the Order. The Buyer retains all intellectual property rights of the designs, drawings and models that have been made available to the Supplier; such designs/drawings/models must be returned after the execution of the Order and in any case at the Buyer's request, unless otherwise agreed, and must be adequately kept and insured against any damage. The Supplier shall maintain complete confidentiality regarding the Buyer's projects, designs, models, drawings, specific details, technical details, formulas, organization and any other information received from the Buyer and/or information obtained during the execution of the Order, being prohibited their disclosure to third parties and reverse engineering; the Supplier also undertakes not to use them for purposes other than the fulfillment of the obligations relating to the Order, unless expressly authorized by the Buyer in writing. If the Supplier develops a design/product based on any model/drawing/document delivered to it by the Buyer, the intellectual and industrial property rights on said design/product shall remain with the Purchaser. In accordance with applicable legislation, the Supplier shall deliver the "CE Declaration of Conformity", if applicable, or the "Manufacturer's Declaration of Conformity" to the Buyer upon delivery of the Product. The Supplier shall indemnify and hold harmless the Buyer from any and all liability connected and/or arising from the incompleteness or inaccuracy of the aforementioned declarations and/or late delivery/non-delivery of the aforementioned declarations and shall actively intervene in any legal proceeding filed against the Buyer.

10- WARRANTY

The Supplier warrants that the Products and Services are new, unused, free from defects in design, manufacturing and material, or any other defect or faults, in compliance with the latest technologies and standards, and usable for multi-shift operation, such as 24 hours per day / 360 days a year. This warranty will be valid for 24 months from delivery and is valid whether there is a latent defect, also in the event of inspection of the supply at the Supplier's premises by the Buyer. The Supplier will provide for the resolution of any defects and other malfunctions at its own expense and as quickly as possible, carrying out all the necessary operations and replacements requested by the Buyer, who will be able to choose at his sole discretion whether to request a proportional reduction in the price in writing. The Supplier shall bear all costs due to disassembly, handling, transport and recovery, reassembly, as well as any accessory charges such as, by way of example but not limited to, customs duties, permits, insurance, etc. All defects shall be notified to the Supplier within 60 days of their discovery. If the Supplier does not intervene immediately to eliminate the non-conformities and/or defects, or in an emergency, the Buyer can eliminate the non-conformities and/or defects or have them eliminated by another supplier and provide for the replacement of the parties that do not comply with the Order at the Supplier's expense and risk, reserving the right to request further damages. For all parts replaced, repaired, or otherwise directly or indirectly affected by such operations, the warranty period is deemed to be extended for a further 12 months, starting from the date of completion of the repair, replacement or modification. The Supplier assumes full and complete responsibility for any defects/damages that may be caused to the supply by the Supplier or the end-customer, as a consequence or as a result of the defects in the supply of the Order, undertaking to hold the Buyer harmless from any legal actions or claims and, if necessary, to actively intervene in any legal proceedings brought against the Buyer. In case of non-compliance with the above obligations, the Buyer has the right to cancel the Order pursuant to article 1456 of the Italian Civil Code, reserving the right to claim further damages.



11- BILLING AND PAYMENTS

Invoices must be addressed to:
ANDRITZ Fabrics and Rolls S.p.A – P.IVA IT 00081980591
Viale J.Fitzgerald Kennedy 96, 04100 Latina / Italy

Each invoice shall contain all the details of the Order, including the payment terms, and refer to the transport documents. Invoices that do not comply with the aforementioned provisions or with the Order will not be paid by the Buyer. In the event of the Supplier's non-compliance, the Buyer may legitimately withhold any payment due, even if relating to a different order. Billing shall be done in accordance with the applicable tax regulation. Each Order and any related credit in favor of the Supplier shall not be transferable to third parties (not even through a factoring contract or the assignment of payment), without the prior express and written consent of the Buyer. In case of violation of this provision, the Supplier shall have to pay a penalty to the Buyer for an amount equal to 20% of the Price; the Buyer reserves the right to claim further damages. This penalty may be retained on the bank guarantee (if any) and/or on the invoices issued by the Supplier.

12- ANDRITZ SUPPLIER CODE OF CONDUCT AND ETHICS (“SUPPLIER CODE”)

The supplier herewith confirms that:

- He has received and read a copy of the ANDRITZ Supplier Code of Conduct and Ethics (“Supplier Code” which is published on the ANDRITZ website <https://www.andritz.com/group-en/about-us/suppliers>)
- He undertakes to comply with the Supplier Code and agrees that it shall form the basis of present and future business with ANDRITZ (ANDRITZ AG and its affiliates)
- This Supplier Code shall form part of any agreement entered between the supplier and any ANDRITZ company, regardless of whether it is expressly incorporated into the contract by reference or not
- He shall be held responsible for ensuring compliance with the Supplier Code by his employees, company representatives, as well as subcontractors and any business partners that the supplier is using to supply Products and/or Services when doing business with ANDRITZ.

ANDRITZ reserves the right to legally terminate the business relationship or order in the event of major breach of the rules laid down in the Supplier Code for Supplier's default, without prejudice to the right of compensation for the damage suffered due to such breach. The supplier will hold harmless and indemnify ANDRITZ from and against damages arising out of a breach of the Supplier Code.

13- SPECIFIC BENEFITS, CANCELLATION CLAUSE

If the Supplier fails to fulfill the obligations of the Order, the Buyer has the right to conduct third parties for the execution of the uncompleted work, charging the cost to the Supplier and demanding compensation for damages from the Supplier. In this case, the Buyer may choose at his discretion to cancel the Order. The Order may be cancelled by the Buyer in accordance with Article 1456 of the Italian Civil Code in the event of bankruptcy, settlement with creditors or other bankruptcy proceedings to which the Supplier is subject, in case of closure of the Supplier's business and in the case of fraud by the Supplier or its collusion with the Buyer's personnel, except in the cases expressly indicated in the Order/Contract.



14- SUSPENSION

The Buyer has the right to request that the Supplier suspend the work requested on the Order at any time. In this case, Supplier shall be obliged to indicate the possible consequences to the Buyer and shall offer the most economic modification of the schedule. The Supplier shall not make any claims if the suspension does not exceed 3 months.

15- WITHDRAWAL OF THE BUYER

The Buyer may withdraw from the Order at any time and at his sole discretion, even if the supply/work has already started. The Supplier will be entitled to payment for the supply/works carried out up to the date of withdrawal, expressly waiving the provisions of article 1671 of the Italian Civil Code.

16- CONFIDENTIALITY AND INTELLECTUAL PROPERTY

The Supplier shall be required to maintain complete confidentiality on the Buyer's projects, models, drawings, designs, specific details, technical details, formulas, organization, and any other information received from the Buyer and/or information obtained during the execution of the Order. The Buyer shall retain all intellectual property rights relating to patents, designs, technical specifications, and any other intellectual property rights made available to the Supplier in connection with the performance of the work and may request the Supplier to return any documents at any time. If the Supplier develops a design/drawing based on any model/drawing/design/document delivered to it by the Buyer, the intellectual and industrial property rights on said design/drawing/product will remain with the Buyer. It is prohibited for the Supplier to deliver to third parties, reproduce, decode and/or use in any way documents, Buyer's drawings, designs, models and data; the Supplier may use this information exclusively for the execution of the supply/works; the Supplier will abstain from any action, including the registration of patents for inventions and models and any other action which could disclose the Buyer's know-how to third parties. The Supplier undertakes to prevent third parties from manufacturing or have manufactured goods using the Buyer's documents, drawings, design, models and/or data. The Supplier shall indemnify and hold the Buyer harmless from any disputes and/or claims for damages made by third parties for damage to persons/property resulting from goods manufactured by third parties without the Buyer's prior written consent. Upon termination of the Order, the Supplier shall immediately cease dealing with patent rights, designs, technical specifications, and all other intellectual property information relating to the Buyer's know-how. The Supplier will indemnify and hold the Buyer from actions or proceedings by third parties for infringements of patents and intellectual property rights or know-how or confidential information, if such actions or proceedings refer to the supply of materials, processes or work techniques performed by the Supplier. This non-disclosure agreement will have a duration of ten years from the completion of the performance and termination of the Order. The Supplier is required to enter into a non-disclosure agreement on the same terms as herewith with its personnel and/or third parties involved in the performance of the Order.

17- GOVERNING LAW AND DISPUTE RESOLUTION

These General Conditions of Purchase and Orders shall be construed and governed by the substantive law of Italy with exclusion of the UN Convention on the International Sale of Goods, 1980 (CISG) and the collision regulations. All disputes or claims arising out of or in connection with the Order/contract, including disputes or relating to its validity, breach, termination, nullity will be subject to proceedings in accordance with the Mediation Rules of the Chamber of Commerce of Frosinone Latina. In the event that disputes or claims are not resolved according to these Rules within 45 days of submitting a request for mediation or within such different period of time as the parties may agree in writing, such disputes or claims shall be resolved by arbitration under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with these Rules of Arbitration. The seat of arbitration shall be Milan.



18 – EXPORT CONTROL

The Supplier shall be obligated to obtain all required export licenses in particular for the export of the object of the Order/contract to the country of the end Buyer, associated with the contract at his own expense. The Supplier shall guarantee the complete delivery of the object of the Order/contract at the point in time at which the order is placed and shall guarantee that there are no legal or other barriers to the fulfillment of the Order/contract. The Supplier shall inform the Buyer of any new export bans or limitations in good time after the conclusion of the Order/contract and shall present alternative variants free of charge as early as possible.

The Supplier shall comply with all Sanctions, even in case where the Supplier is not in the EU (and in this case the Supplier shall act as if it would have been in the EU). At no point of time shall the Supplier act or omit any action that would be in breach of, or inconsistent with the Sanctions, or would lead to breach by the Buyer of the Sanctions.

The Supplier undertakes to report to the Buyer upon placing of the purchase order if the shipment contains goods listed in the DUAL-USE list (COUNCIL REGULATION (EC) No 428/2009) or if it is subject to authorization according to the Foreign Trade Act, the safety Concept or other export permissions (always as amended), as well as the US-export, the US-re-export and the US embargo laws. The Supplier is under obligation to disclose the HS Code (8-digit customs tariff number), the ECCN Number (Export Control Classification Number) and the AL-number.

The Supplier must notify the Buyer without delay if the goods were not subject to an export authorization or were not included in the DUAL-USE list at the time the order was placed but have in the meantime become subject to authorization or were admitted to the DUAL USE LIST. This also applies if the Supplier has learned of other obstacles or restraints to export.

In the event of a re-export of forwarding the Products, the Buyer complies with all foreign trade law provisions worldwide (see section 4 of the Supplier Code) and is in principle not obliged to provide the Supplier with an End-Use certificate (EUC).

19 – REGULATIONS CONCERNING LABOUR – AND SOCIAL LAW / EMPLOYMENT OF FOREIGNERS

When executing the supply of Products or Services, the Supplier is obligated to comply with the regulations concerning labour and social law applicable in the respective country of assignment as well as with the regulations concerning the employment of foreigners and with related regulation designed to combat wage rate and social dumping, whereby upon failure to do so, the Supplier shall incur the liability for any disadvantageous consequences. The liability for disadvantageous consequences shall also include the obligation on the part of the Supplier to hold harmless to the fullest extent possible all persons, such as responsible agents and board members or managing directors of ANDRITZ who are subjected to penalties by public authorities, even if these persons have no contractual relationship with the supplier.

All documents required to comply with these laws and regulations (in particular the confirmation of registration with the social insurance fund) are to be turned over to the Buyer by the Supplier in documentable form at the latest by 4 weeks before the assignment of the personnel to the construction site. This also applies for assignments of a shorter duration, such as for final inspection after assembly, commissioning monitoring, etc. The Supplier shall also see to it that these required documents are up to date and thus fulfil the corresponding legal requirements throughout the duration of the execution of the Order. Please take note that if the requirement to turn over the documents is disregarded, access to the company premises or the respective construction site will be denied.



In the event that the Supplier engages further companies for the purpose of the fulfilling his contractual obligations, he shall be liable to the Buyer, their authorized representatives as well as responsible persons for non-compliance with legal regulations, especially with respect to regulations concerning laws designed to combat ware rate and social dumping, regardless of his own ability or the possibility for monitoring this. The Supplier shall ensure that subcontractors as well only assign such personnel as complies with the aforementioned requirements.

20 – CLAUSES TO BE SPECIFICALLY APPROVED

Pursuant to and for the purpose of Article 1341 of the Italian Civil Code, the Supplier declares to have had clear and accurate sight and to expressly and specifically approve the following clauses : 4- PRICES; 6- DELIVERY DATE - PENALTIES; 8-ACCEPTANCE OF GOODS - TRANSFER OF TITLE; 9 - TECHNICAL DOCUMENTATION - CERTIFICATIONS; 10 - WARRANTY; 12 - ETHICAL RULES; 13 - SPECIFIC SERVICES, CANCELLATION CLAUSE; 14 - SUSPENSION; 15 - WITHDRAWAL OF THE BUYER; 16 - CONFIDENTIALITY AND INTELLECTUAL PROPERTY; 17 - APPLICABLE LAW AND DISPUTE RESOLUTION; 18 – EXPORT CONTROL; 19 – REGULATIONS CONCERNING LABOUR AND SOCIAL LAW / EMPLOYMENT OF FOREIGNERS