

1. General, Scope

- a. These General Terms and Conditions of Purchase (Allgemeine Einkaufsbedingungen, AEB) apply to all business relationships between us and our suppliers, provided that the Suppliers ("**Supplier**") are entrepreneurs according to Sections 1-3 of the Austrian Commercial Code (UGB), a legal entity under public law, or a special fund under public law.
- b. Our AEB apply in particular to contracts for the sale and/or delivery of movable Goods ("**Goods**"), regardless of whether the Supplier manufactures the Goods or purchases them from suppliers (in accordance with Sections 1053 and 1165 of the ABGB. Unless otherwise agreed, the AEB shall apply in the version valid at the time of our order or, in any case, in the version last communicated to the Supplier in text form (Section 886 ABGB), as a framework agreement also for future, similar contracts without us having to refer to them again in each individual case.
- c. Our AEB apply exclusively. We do not recognize any terms and conditions of the Supplier that conflict with, deviate from, or supplement our AEB, unless we have expressly agreed to their validity in writing. This requirement of consent applies in any case, e.g. even if we carry out the delivery to the Supplier unconditionally while being aware of the Supplier's terms and conditions.
- d. Individual agreements made with the Supplier in individual cases (including collateral agreements, supplements and amendments) shall in all cases take precedence over these AEB. A written contract or our written confirmation is required to provide the content of this agreement, unless the Supplier provides evidence of the contrary.
- e. Legally relevant declarations and notifications by the Supplier that relate to the contract with us or are connected with it (e.g., reminders, setting of deadlines, withdrawal) must be made in writing, i.e. in writing or text form (e.g. letter, email, fax). This shall not affect statutory formal requirements and further evidence, such as in particular the legitimacy of the person making the declaration.
- f. If and to the extent that we refer to statutory provisions in these AEB, this shall only have a clarifying meaning if they are not directly amended or expressly excluded in these AEB.

2. Orders and offers, conclusion of contract

- a. Our order shall only be deemed binding at the earliest once we have submitted or confirmed it in writing. Verbal or telephone orders are non-binding and require written confirmation to be binding. Additions and changes to orders or supplements thereto are only binding if they are made in writing. The Supplier is obliged to inform us of any obvious errors (e.g., typing and calculation errors) and incompleteness of the order (this also applies to all order documents) before accepting the order so that we can correct or complete them. If the Supplier fails to comply with this obligation, the contract shall be deemed not to have been concluded.
- b. The Supplier is obliged to order in writing within a period of two weeks or by dispatching the Goods without reservation (Annahme).
- c. An order confirmation that deviates from the order or is delayed constitutes a counteroffer and is only binding if accepted by us in writing. Silence on our part shall in no case be deemed Acceptance of an order confirmation that deviates from the original order.
- d. We reserve ownership rights and copyrights to illustrations, drawings, calculations, data security sheets, other documents, and samples supplied by us; they may not be made accessible to third parties without our express written consent. They are intended exclusively for production based on our order or the contractual service; after completion of the order, they must be returned to us without request. They must be kept confidential

from third parties. This shall also apply after termination of the contract, unless the knowledge contained in the documents has become generally known.

- e. In the case of the first order of a new product type, the order shall be subject to reservation. In this case, we shall agree with the Supplier on a time- and quantity-related target for the resale or further processing of the product. If the target is not achieved, we shall be entitled, in accordance with the statutory provisions, to withdraw from the contract with regard to the unsold part of the Goods.

3. Delivery, packaging, and labeling

- a. The Supplier is not entitled, without our prior written consent, to use third parties, in particular subcontractors, to perform the services owed by him. Unless otherwise agreed in individual cases (e.g., obligation to maintain a stock), the Supplier shall bear the procurement risk for his services.
- b. The Supplier shall enclose with the delivery a delivery note (Lieferschein) stating the date of issue of the delivery note and the date of dispatch of the Goods, as well as the order reference number specified in our order or the order confirmation. If the delivery note is missing or incomplete, we shall not be responsible for any delays in payment and processing for which we are not responsible. Furthermore, the Supplier is obliged to send us a shipping confirmation (Versandbestätigung) with the same content without delay. All additional costs incurred by us as a result of the Supplier's failure to comply with the instructions specified in this Section 3.b. and for which the Supplier is responsible shall be borne by the Supplier.
- c. The labeling, packaging, and shipping of the Goods must always be carried out in accordance with our packaging and shipping instructions. Unless otherwise specified, the labeling, packaging, and shipping of the Goods must be carried out in an appropriate manner and with the care of a prudent businessman (ordentlicher Kaufmann).
- d. Partial deliveries are not permitted unless we have given our express consent.

4. Transfer of risk, delay of delivery acceptance (Annahmeverzug)

- a. The Supplier is obliged to deliver the ordered Goods within Austria at its own expense and risk to the warehouse or location specified in the order. If the destination is not specified and nothing else has been agreed, delivery shall be made to [our place of business Hauptstraße 1, 2763 Pernitz].
- b. The respective destination for the Supplier's main performance is also the place of performance for the delivery and for any subsequent performance, unless otherwise has been expressly agreed.
- c. At the time at which the Supplier hands over the Goods to us at the place of performance, the risk of accidental loss and accidental deterioration shall pass to us. If we have agreed with the Supplier to accept the Goods, then the time of acceptance (Abnahme) shall be decisive for the transfer of risk. Until acceptance, the risk shall remain with the Supplier. If Acceptance has been agreed, the statutory provisions of the law on contracts for work and services (Werkvertragsrecht) shall apply accordingly. The handover or acceptance shall be deemed equivalent if we are in delay in acceptance.
- d. However, if the order or supplementary provisions in the shipping instructions/routing order that the Goods are to be collected by our contractual forwarding agent at the latter's expense from the Supplier, the risk shall pass to us upon proper handover of the Goods to the contractual forwarding agent in accordance with the packaging and shipping instructions.
- e. We shall only be in delay in acceptance in accordance with the statutory regulations. The Supplier is in any case obliged to expressly offer its service or the Goods, even if a specific or determinable calendar time is specified for an action or cooperation on our part. If we are in default of acceptance, the Supplier is entitled to demand compensation for its additional expenses (Section 918 ABGB).

5. Delivery times

- a. All delivery times are binding. If the delivery time is not specified in our order and has not been agreed otherwise, a delivery period of 4 weeks from conclusion of the contract shall be deemed to have been agreed.
- b. Agreed delivery times shall be deemed to have been met if the Goods have arrived at the agreed delivery address at the agreed time and in the agreed quantity.
- c. The Supplier is obliged to inform us immediately in writing if circumstances arise or become apparent to him which indicate that the agreed delivery period cannot or is unlikely to be met. The information must include the reason and the expected duration of the delay.
- d. If the Supplier does not perform its service or does not perform it within the agreed delivery period or if it is in default of delivery, we shall be entitled to the statutory claims. In particular, we shall be entitled, after setting a reasonable deadline with prior notice and without result to demand compensation in lieu of performance and withdraw from the contract. In this case, we shall in particular be entitled, in accordance with the statutory provisions, to make covering purchases and to charge the Supplier for the additional costs. The provision under the following letter shall remain unaffected by this.
- e. We may accept Goods received late by making an express declaration to the Supplier. In this case, we reserve the right to claim damages for delay.
- f. Payment obligations of the Supplier in connection with an order placed by us are always due immediately.
- g. In the event of an exceeding of the agreed delivery period or a delay on the part of the Supplier for which the Supplier is responsible, we shall be entitled, subject to further provisions, to demand a contractual penalty (Vertragsstrafe) not subject to judicial mitigation amounting to 0.1% of the purchase price (net) per working day, but not exceeding 5% of the net purchase price. Further rights remain unaffected. The contractual penalty must be asserted after acceptance of a delayed performance at the latest with the final payment.

6. Quality guarantee

- a. The Supplier shall deliver the Goods free of material defects and legal defects. The Goods must comply with this Section 6 and the latest state of the art and comply with all applicable safety regulations.
- b. The Goods ordered by us must be delivered by the Supplier in accordance with the sample, i.e. they must correspond to the Goods description, the sample submitted and approved by us in the same material composition as well as in terms of technical equipment, form, workmanship, and presentation and must have the guaranteed characteristics. All technical features and characteristics of a sample approved by us are considered guaranteed characteristics.
- c. The Supplier is obliged to carry out a final inspection prior to delivery. Deviations from the sample approved by us must be approved by us in writing prior to delivery.
- d. The Supplier shall also be liable to us to the extent that the public declarations/statements contained on the label or in any other product description are incomplete or incorrect. This also applies to missing, incorrect, or incomplete assembly instructions.
- e. The Supplier expressly warrants that its deliveries are free from third-party rights (including property rights).

7. Obligations to inspect and give notice of defects

- a. Notwithstanding the final inspection to be carried out by the Supplier in accordance with Section 6 b., our commercial obligations to inspect and our notification obligations, the statutory provisions (cf. § 377 UGB) apply with the following proviso: Our obligation to

inspect is limited to defects that become apparent to us during an external final inspection of the Good carried out on a random basis, including delivery documents (e.g., transport damage, incorrect or incomplete delivery). There is no obligation to inspect if acceptance (Abnahme) has been agreed. In all other respects, it depends on the extent to which an inspection is reasonable and feasible in the individual case, taking into account the circumstances and the normal course of business. This does not affect our obligation to report defects that are only discovered later. The defect is presumed to be reported in good time and without delay, if we report it within 14 days after discovering the defect.

- b. The Supplier is expressly advised that he must obtain the consent of his liability insurer to the above contractual provision in order to maintain the existing unrestricted cover.
- c. The Supplier shall grant us access to his production facilities for the ordered Goods and to the production facilities of any subcontractors by arrangement, allow audits to be carried out and provide us with the names and addresses of the subcontractors.

8. Compliance with legal provisions

- a. The Supplier guarantees compliance with the relevant Austrian laws and regulations, the regulations and applicable directives of the European Union, and the relevant Ö, EN, and ISO standards. This also applies to all future deliveries of goods and any applicable future laws, regulations, directives, and standards, without these requiring separate mention.
- b. The Supplier further guarantees that laws, directives, and regulations will be taken into account in good time before they come into force to ensure that the Goods delivered by him can be used or sold by us without violating any laws, directives, or regulations that come into force at a later date.
- c. The Supplier must provide proof of compliance with all legal requirements at our request prior to delivery of the Goods.
- d. If the Supplier is aware that the Goods are intended for another country of delivery, the Supplier shall also comply with the provisions of that country in accordance with the provisions of sections a. to c. above.

9. Defective delivery

- a. Our rights in the event of material defects and defects of title in the Goods (including incorrect and short deliveries as well as improper assembly, defective operating or operating instructions) and in the event of other breaches of duty by the Supplier, the statutory provisions shall apply, unless otherwise specified below.
- b. The Supplier shall be liable in accordance with the statutory provisions in particular for ensuring that the Goods have the agreed quality at the time of transfer of risk (in accordance with Section 4 of these AEB). The product descriptions that (in particular by designation or reference in our order) are the subject matter of the respective contract or have been incorporated into the contract in the same way as these AEB shall be deemed to constitute an agreement on the quality. It shall be irrelevant whether the product description originates from us, the Supplier or the manufacturer.
- c. Failure to comply with the obligations under Section 8 and failure to comply with the standards specified in Section 8(a) shall be deemed defects/shortcomings within the meaning of warranty law, which shall give rise to the following or other contractual or statutory rights in respect of defects (warranty rights).
- d. Acceptance of the service and payment shall not be deemed approval of the Supplier's performance. We shall also be entitled to claims for defects without restriction if the defect remained undetected at the time of conclusion of the contract as a result of gross negligence.
- e. Subsequent performance (Nacherfüllung) shall also include the removal of the defective goods and their reinstallation, provided that the Goods were installed in another item in accordance with their intended purpose. The costs incurred by the Supplier for the purpose of inspection and subsequent performance (including any installation and

- removal costs) shall be borne by the Supplier even if it transpires that there was in fact no defect. Our liability for damages in the event of unjustified demands for the removal of defects remains unaffected by this. However, we shall only be liable in this respect if we recognized or were grossly negligent in not recognizing that no damage existed.
- f. At our discretion, we may demand subsequent performance in the form of rectification of the defect (Nachbesserung) or in the form of delivery of new Goods (Ersatzlieferung). If the Supplier does not comply with our request for subsequent performance within of a deadline set by us, we shall be entitled to remedy the defects ourselves. In this case, we are entitled to demand the necessary expenses or a corresponding advance payment. If the subsequent performance has failed or is unreasonable for us (e.g. due to a particular urgency, a risk to operational safety or threat of disproportionate damage), no deadline shall be set. However, we shall inform the Supplier of such circumstances without delay.
 - g. If the subsequent performance fails, we shall be entitled to further rights/claims to withdrawal and compensation for damages instead of performance without setting a further deadline. The return of defective goods to the Supplier shall not constitute a request to deliver replacement goods. The Supplier is obliged to accept all returns of defective goods and to compensate us immediately for the full invoice value plus the total costs incurred by us, in particular any freight costs incurred by us in vain.
 - h. The Supplier shall indemnify us against all claims by third parties under the Product Liability Act whose cause lies within his sphere of control and organization, and shall compensate us for all damages incurred by us in connection with the Product Liability Act (return costs, loss of interest, legal fees, etc.).
 - i. If the delivered goods are defective, in particular if they do not correspond to the sample, the data sheets, the quality specifications, packaging and shipping instructions, material labeling regulations, etc., the Supplier shall reimburse us for the costs incurred for inspecting the Goods, determining the defects, sorting, retooling, etc., upon presentation of evidence. Our further legal claims for damages remain unaffected.
 - j. At our separate request, the Supplier shall take out recall cost insurance and maintain it at his own expense for the duration of the respective limitation periods (see section 11 below) for the Goods delivered by it to us.
 - k. The Supplier is obliged to maintain product liability insurance with a sum insured of EUR 10 million per personal injury/property damage - lump sum - at its own expense. If we are entitled to further claims for damages, these shall remain unaffected.
 - l. If we are obliged to recall goods due to a defect, the Supplier shall bear all necessary costs in connection with this recall, insofar as these costs are attributable to the defect in the Goods.

10. Supplier recourse

- a. We are entitled to our statutory recourse claims within the supply chain within the meaning of Section 933 b ABGB in addition to our claims for defects. We are in particular entitled to demand from the Supplier the type of subsequent performance (repair or replacement delivery) that we owe to our customer in the individual case. Our statutory right of choice under § 932 ABGB shall not be affected by this.
- b. Before we recognize a claim made by our customer (including reimbursement of expenses in accordance with Sections 933 b ABGB, 932 ABGB), we shall notify the Supplier thereof and request a written statement including a brief description of the facts. If the statement is not made within a reasonable period of time and no mutually acceptable solution is found, the claim for defects actually granted by us shall be deemed owed by us to our customer; in this case, the Supplier shall be responsible for proving the contrary.
- c. Our claims for recourse against suppliers shall also apply if the Goods before being sold to one of our customers or a consumer, e.g. through installation in another product, have been processed by us or one of our customers.

11. Limitation period

- a. The mutual claims of the contracting parties shall become time-barred in accordance with the statutory provisions, unless otherwise specified below
- b. Notwithstanding § 933 ABGB, claims and rights due to material defects shall expire 36 months after the transfer of risk. If acceptance (Abnahme) has been agreed, the limitation period shall commence upon acceptance.
- c. The 3-year limitation period shall also apply accordingly to claims arising from legal defects, whereby the statutory limitation period for third-party claims in rem (§ 1478 ABGB) remains unaffected. Claims arising from legal defects shall not become time-barred in any case as long as the third party can still assert the right against us.
- d. Longer statutory limitation periods shall not be affected by the above provisions. Insofar as we are also entitled to non-contractual claims for damages due to a defect, the statutory limitation period (Sections 1478, 1486 ABGB) shall apply.
- e. If we have notified the Supplier of the defect in good time, the limitation period for claims for defects shall be suspended until the Supplier has finally rejected responsibility for the defect or has declared that it will remedy the defect. If the Supplier acknowledges its obligation to subsequent performance, the subsequent performance shall trigger the start of a new limitation period. In the event of the defect being remedied, the new limitation period shall apply to the remedied defect. In the event of a replacement delivery, the limitation period shall apply to the entire replacement delivery.

12. Prices and terms of payment

- a. The agreed prices specified in the order for the delivery of goods are fixed and include free delivery to the delivery address. They include packaging, freight, insurance, and other ancillary costs, but do not include value added tax. The prices agreed in the order are binding for the duration of the contract period. This also applies to any subsequent orders.
- b. Payments shall generally be made in accordance with the terms specified in the order and, without exception, only after receipt of the Goods.
- c. Our payment term is 30 days net from receipt of the invoice, unless otherwise agreed. The payment term shall be met by sending a means of payment or issuing a payment order to the bank. Payment and discount periods shall only commence once both the Goods have been received at the agreed storage location and the invoice has been received by our accounts payable and goods accounting department.
- d. In the event of late delivery, the number of days of delay shall be added to the start of the periods specified in Section c.
- e. We are entitled, but not obliged, to offset claims against the Supplier against claims of the Supplier against us.
- f. Payment of invoices shall be made without prejudice to the subsequent assertion of rights. In particular, payment shall not constitute an acknowledgement to pay or an order for the Goods or of their completeness and freedom from defects.

13. Prohibition of set-off, prohibition of retention, right to refuse performance, prohibition of assignment

- a. Set-off by the Supplier is only possible with the express consent of Essity Austria GmbH or legally established claims.
- b. The same applies to the assertion of a right of retention or refusal of performance by the Supplier. Furthermore, these rights may only be exercised by the Supplier if the counterclaims are based on the same contractual relationship; Section 1052 ABGB remains unaffected.

- c. The Supplier is not entitled, without our consent, to assign claims against us to third parties or to companies affiliated with it within the meaning of Section 189a Z 8 UGB. However, Section 1396 a ABGB applies to the assignment of monetary claims.

14. Transfer of ownership/reservation

A Retention of title by the Supplier is excluded.

15. Industrial property rights

- a. The Supplier guarantees that (i) the Goods, (ii) the delivery of the Goods by the Supplier and (iii) our contractual use of the Goods do not infringe any industrial and intellectual property rights of third parties (such as copyrights, patents, utility models or design patents, trademarks, licenses, claims under unfair competition law, etc.) within the Republic of Austria and other countries of the European Union and the European Free Trade Association and that no legal or official regulations are violated.
- b. The Supplier further guarantees that the offer and distribution of the Goods do not infringe any of the above-mentioned rights of third parties. If a third party asserts a claim against us for an infringement of rights, the Supplier is obliged to indemnify us against these claims upon first written request. In the event of claims for damages by the third party, the Supplier reserves the right to prove that he is not responsible for the infringement of the third party's rights.
- c. The Supplier's obligation to indemnify shall apply to all expenses necessarily incurred by us arising from or in connection with the claim by a third party. The limitation period for claims for defects of title shall commence in accordance with Section 933 ABGB from the time of knowledge or when knowledge should have been acquired and shall be three years, but no more than ten years from the transfer of risk. Longer statutory limitation periods shall not be affected by the above provisions.
- d. Liability for damages shall not be assumed if the Supplier proves that it is not responsible for the infringement.
- e. The Supplier is obliged to indemnify us and our affiliated companies against any claims by third parties and to compensate us for any additional damage, including lost profits. The same applies in the event of the offer and distribution of the Goods outside the Republic of Austria, insofar as the Supplier is informed in the respective order that the Goods offered by him are not only distributed within the Republic of Austria.
- f. Contractual penalty: For each case of a culpable breach of one of the above obligations of the Supplier, we shall be entitled to demand a contractual penalty of EUR 10,000.00, which shall not be subject to judicial mitigation. Further claims and rights remain reserved.
- g. The agreed price shall cover the acquisition of statutory property rights, in particular patents, insofar as their acquisition is necessary for us to freely use and resell the delivery item. If licenses are necessary, they shall be obtained by the Supplier/contractor. We may use inventions made by the Supplier in the execution of our order us free of charge.

16. Rights of use

- a. If the Goods to be delivered are products that are distributed and advertised by us, the Supplier shall provide us or a body designated by us with data material (e.g., product images, product descriptions, etc.) in the specified format for the purposes of advertising communication. Upon delivery of the data material, the Supplier grants us the simple, unlimited rights of use and processing of the data material in terms of content, location, and time.
- b. The granting of rights applies to use in all fixed advertising media (e.g., print media, press advertising, brochures, catalogs etc.) as well as to use via fixed and mobile communication networks and means, including all digital and analog transmission and

retrieval technologies, in particular via cable, radio, fixed and mobile satellite networks and microwaves, all known and future transmission methods (in particular WAN, LAN, WLAN, broadband, FM, GSM, GPRS, EDGE, UMTS, HSDPA, HSPA, DVB-T and DVB-H), transmission protocols and languages (in particular TCP-IP, IP, http, WAP, HTML, o-HTML and XML) including playback on any receiving devices, such as in particular stationary, mobile and ultra-mobile computers, televisions, set-top boxes, video recorders, mobile phones, Mobile Digital Assistance (MDA), Personal digital assistants (PDAs) and mobile Internet devices (MIDs), and includes use in the context of telecommunications, telemedia, news, and broadcasting services (such as web and mobile portals, RSS, SMS, MMS mail, and e-mail, messenger services), regardless of whether these are designed as push or pull services.

- c. The granting of rights also applies to use in any form of advertising and/or public relations (including use of the content as an integral part of online advertising, such as in banners, videos, screen shots, audio samples, teasers, newsletters, titles and names for the business activities, services or products of the Essity Group).
- d. We are not obliged to name the author of the content provided by the Supplier in connection with the exercise of the rights granted. The Supplier is obliged to inform us prior to provision if he is not the author or owner of all rights to the product images and data material provided.
- e. We are entitled to transfer all rights granted by the Supplier to companies within the Essity Group. The Group companies may exercise these rights in accordance with the provisions of Section 16. We will inform the Supplier in writing.
- f. The Supplier guarantees that it holds all rights necessary for the transfer of the data material transmitted by him, in particular the transmitted images, texts, etc. The Supplier also guarantees that the contents of the transmitted data material do not infringe any third-party rights and/or other legal provisions.
- g. The Supplier shall indemnify us and/or the group companies from any third-party claims asserted on the basis of the contractual use of the transmitted data material upon first written request.

17. Cover purchase – Granting of property rights

If we are entitled—for whatever legal reason—to claim damages in lieu of performance, and to make a cover purchase (Deckungskauf), we shall also be entitled to use any industrial property rights of the Supplier (such as copyrights, patents, utility models or designs, trademarks, licenses, claims under competition law, etc.). In this respect, the Supplier waives all claims for injunctive relief and other rights to which he may be entitled. We expressly point out that the granting of this right is within the scope of the Supplier's obligation to mitigate damages. If the use of these property rights by us infringes the rights of third parties, the Supplier is obliged in accordance with Section 14 letter b. to hold us harmless from any claims by third parties.

18. Fire and environmental protection

If the Supplier carries out work within one of our business premises within the scope of the contractual relationship, he must immediately request the fire, safety, and environmental protection regulations issued by us without delay and comply with them in every respect or ensure that they are complied with in every respect by its employees and persons for whom he is responsible.

19. Confidentiality

The Supplier (including its respective affiliated companies) is obliged to keep all illustrations, drawings, calculations, other documents, samples, and information received strictly confidential. They may only be disclosed to third parties with our express consent.

The confidentiality obligation shall also apply after the execution of this contract. However, it shall expire if and to the extent that the manufacturing knowledge contained in the illustrations, drawings, calculations, and other documents has become generally known or was demonstrably already known to the Supplier at the time of notification within the meaning of sentence 1.

20. Supplier standard

The Supplier recognizes the Supplier standard “Global Supplier Standard” of the Essity Group as the basis of his existing business relationship with us, observes it and guarantees compliance with it. The standard is regularly updated and published at www.essity.com. The Supplier shall ensure that the regulations and principles also apply to the subcontractors and other third parties that he uses to fulfill his obligations to us and that they are complied with.

21. Group clause

We are entitled to deliver the Supplier's goods or spare parts to companies within the Essity Group that are directly or indirectly affiliated with us. The Supplier's liability to us remains unaffected by this.

22. Place of performance, place of jurisdiction and applicable law

- a. The place of performance for delivery and payment shall be 2763 Pernitz.
- b. The place of jurisdiction for all disputes arising directly or indirectly from these AEB and the contractual relationship with the Supplier shall be, to the extent permitted by law, our place of business in 2763 Pernitz. We are also entitled to sue the Supplier at its general place of jurisdiction or to bring an action at the place of performance in accordance with these AEB or a prior individual agreement.
- c. These AEB and the contractual relationships with the Supplier are governed by Austrian law, excluding any further references. The application of the UN Convention on the Sale of Goods is excluded.