

General Terms of Purchasing of TS Steel Trade GmbH, Walldorf (Germany), and TS Steel Trade Schweiz AG, Lucerne (Switzerland)

Status February 2023

§ 1 Scope of application

- (1) These General Terms of Purchasing ("GTP") shall govern all legal relations between TS Steel Trade GmbH, Walldorf (Germany), or TS Steel Trade Schweiz AG, Lucerne (Switzerland), on the one hand (hereinafter each referred to as "Buyer") and their respective supplier (hereinafter referred to as "Seller") on the other hand. The GTP are integral part of all contracts of the Buyer with the Seller, in particular contracts on the sale and/or delivery of movable items ("Products") without regard of whether the Seller produces the Products itself or procures them from Suppliers (Sec. 433, Sec. 651 BGB [German Civil Code]). Unless agreed otherwise, the GTP apply in the version valid at the time of the Buyer's order or in the version last notified to the Seller in text form as the Master Agreement. In case of any contradictions or inconsistencies, individual contractual agreements shall take precedence over these GTP.
- (2) These GTP apply exclusively. All offers, deliveries of Products, and all services of the Seller shall be based exclusively on them, even if the applicability of the GTP is not agreed once more separately. Deviating, contrary or supplementing general terms and conditions of the Seller shall become part of the contract only if and insofar as the Buyer has expressly agreed to their applicability. An offer accepted unconditionally or a delivery of Products or services accepted without reservations shall not be regarded as the Buyer's agreement thereto.
- (3) General terms and conditions of the Seller or of third parties shall not apply, even if the Buyer does not object to their applicability separately in the individual case. Even if the Buyer refers to correspondence from the Seller or a third party, which contains general terms and conditions, this shall not constitute an agreement to their applicability.
- (4) Individual agreements made in the specific case with the Seller (including side agreements, additions and changes) shall take precedence over these GTP. To prove the content of such agreements, a written contract or a written confirmation from the Buyer in the definition of Sec. 2 of the GTP shall be required, subject to proof of the contrary.
- (5) Notices as to the applicability of statutory regulations shall have only clarifying meaning. Legal regulations shall also apply without such a clarification, unless they have been modified or expressly excluded by these GTP.

§ 2 Formal requirements

Declarations and notifications from the Seller, which are relevant in legal terms and relate to the contract (e.g. confirmations, setting of deadlines, warnings, withdrawal) shall be submitted in the written or text form (e.g. letter, email, or fax). Statutory regulations on formal requirements and further verifications, in particular in cases of doubt as to the legitimation of the party giving the declarations, shall remain unaffected.

§ 3 Conclusion of the contract

- (1) The Buyer's order shall apply as binding at the earliest upon the written submission or confirmation. The Seller shall inform the Buyer prior to acceptance of obvious mistakes (e.g., writing and calculation errors) and of any omissions in the order including the order documents for the purpose of correction or completion; otherwise, the contract shall be deemed not concluded.
- (2) The Seller is required to confirm the Buyer's order within a period of 10 days in writing or to execute it unconditionally by shipment of the Products (acceptance). A belated acceptance applies as new offer and requires the acceptance by the Buyer.

§ 4 Delivery period and delivery delay

- (1) The delivery period stated by the Buyer is binding. If the delivery period is not indicated in the order and if it has not been agreed otherwise either, it shall be two weeks from the signing of the contract. The Seller is obligated to inform the Buyer immediately in writing or text form according to the definition of Sec. 2 GTP if it expects that it cannot keep agreed delivery periods for whatever reasons.
- (2) If the Seller does not perform its service or if it fails to do so within the agreed delivery period or if it comes to be in default, the Buyer's rights shall be determined – especially regarding revocation from the contract and damages – by the legal regulations. The provisions in para. 3 shall remain unaffected.
- (3) If the Seller is in default, the Buyer may demand a flat-rate compensation for its default damage – besides the further statutory claims – in the amount of 1% of the net price per completed calendar week, whereas in total no more than 5% of the net price of the Products delivered at a delay. The Buyer's right to prove that a higher damage resulted remains reserved. The Seller's right to prove that no loss at all or only a much lower loss has been incurred.

§ 5 Performance, delivery, transfer of risk, delay of acceptance

- (1) The Seller shall not be authorised without the Buyer's prior consent in writing or text form (according to Sec. 2 GTP) to have third parties (e.g., subcontractors) perform the service owed by it. The Seller shall bear the risk of procurement for its services, unless agreed otherwise in the specific case (e.g., limitation to stockpile).
- (2) The delivery shall generally be made ex-factory loaded onto trucks, ships or trains. The respective place of destination shall also be the place of performance for the delivery and any subsequent fulfilment (debt to be discharged at creditor's domicile).
- (3) The delivery shall enclose a delivery slip, stating the date (issuance and dispatch), content of the delivery (article number and quantity) and the Buyer's order reference (date and number). If the delivery slip is missing or incomplete, the Buyer shall not be responsible for any delays in processing and payment resulting from

this. A corresponding shipment notice with the same content shall be sent to the Buyer separately from the delivery slip.

- (4) The risk of accidental loss and accidental deterioration of the object shall transfer to the Buyer on the handover at the place of performance. In case an acceptance is agreed for a custom-made item in the definition of § 5 (5) GTP, this acceptance shall be decisive for the transfer of risk. For the rest, the statutory provisions of the law on contracts for work and services shall apply analogously to an acceptance. It shall be held equal to the handover or acceptance if the Buyer is in default of acceptance.
- (5) The legal regulations shall apply to the occurrence of a default of acceptance by the Buyer. The Seller, however, must expressly offer its service to the Buyer, even if a certain or determinable time in the calendar is agreed for an action or contribution by the Buyer (e.g., provision of material). If the Buyer comes to be in default of acceptance, the Seller may demand the refund of its extra expenses pursuant to the legal regulations (Sec. 304 BGB). If the contract relates to a non-fungible object to be manufactured by the Seller ("custom-made item"), the Seller shall have further rights only if the Buyer has undertaken to contribute and the failure to contribute is its fault.

§ 6 Prices and terms of payment

- (1) The price indicated in the order is binding. All prices are understood plus the statutory value added tax, where it does not have to be calculated and identified separately by operation of law.
- (2) Unless agreed otherwise in the specific case, the price shall include all services and ancillary costs of the Seller (e.g., assembly) and all ancillary costs (e.g., proper packaging, transport costs including any transport and liability insurance).
- (3) The agreed price shall become due for payment within 30 calendar days upon the complete delivery and service (including agreed acceptance, if any) and receipt of the correct invoice. In case of a bank transfer, payment will be deemed on time if the transfer order is received by the Buyer's bank prior to the end of the payment period; the Buyer shall not be responsible for delays caused by the banks involved in the payment process.
- (4) The Buyer shall not owe interest payable past due. The legal regulations apply to default on payment.
- (5) The Buyer shall be entitled to rights of set-off and retention, as well as the defence of the lack of performance of the contract to the legally permissible extent. The Buyer shall be permitted in particular to withhold due payments for as long as it still has unsettled claims against the Seller, which have arisen from incomplete or deficient deliveries and services.
- (6) The Seller shall have a right of set-off or a right of retention only against counter claims which have been found valid by final judgment or against undisputed claims.

§ 7 Reservation of title

- (1) The ownership of the Products shall transfer to the Buyer unconditionally and without regard to the payment of the price. If, however, the Buyer accepts an offer from the Seller that is made conditional on the purchase price in the individual case, the reservation of title by the Seller for the delivered Products shall expire at the latest on the payment of the purchase price. The Buyer shall also remain entitled in the ordinary course of business, even before the payment of the purchase price, to resell the Products subject to an advance assignment of the claim arising from this (alternatively, under applicability of the simple reservation of title and the reservation of title extended to the further sale).
- (2) Excluded are all other forms of the reservation of title, in particular the expanded and transferred reservation of title.

§ 8 Defective delivery, warranty

- (1) Unless determined otherwise hereinbelow, the legal regulations shall apply to the Buyer's rights in the case of property defects and defects of title of the Products (including incorrect or short delivery, and deficient assembly instructions) and in case of other breaches of duty by the Seller.
- (2) Pursuant to the legal regulations, the Seller shall be liable, in particular, for the Products not having the agreed properties and conditions ("quality") on the transfer of risk to the Buyer. In all cases, the product descriptions shall be deemed the agreement on quality, which is the subject of the respective contract or which has been made a part of the contract, in the same way as these GTP, specifically by designation or reference in our order. It does not make a difference in this regard whether the product description originates from the Buyer, the Seller or a third party.
- (3) In deviation from Sec. 442 (1) sent. 2 BGB, the Buyer shall therefore be entitled to unlimited warranty claims also if the defect remained unknown to the Buyer on the signing of the contract in consequence of gross negligence.
- (4) The legal regulations (Sec. 377, Sec. 381 HGB [German Commercial Code]) shall apply to the commercial duty to inspect and notify defects, subject to the following stipulation: The Buyer's duty to inspect is limited to defects, which become apparent in the course of an external inspection, including an inspection of the delivery documents by the Buyer (e.g., transport damages, false and lesser deliveries) or which are detectable in the course of the Buyer's quality control on random samples. If an acceptance of the Products is agreed, there is no obligation for an inspection. For the rest, the inspection, its type and scope shall depend on the extent to which it is expedient in the circumstances of the individual case in the ordinary course of business. If the Seller is obligated to deliver the Products to a third party named by the Buyer (Third-Party Deal), the Buyer shall ensure that the inspection by the third party shall take place with the cooperation of the Buyer after delivery. The Buyer's obligation to notify of defects detected at a later point shall remain unaffected not only in case of a delivery to the Buyer but also in case of third-party deals. Without prejudice to the Buyer's duty to inspect, its complaint (notice of defect) shall be deemed made without delay and on time in all cases if it

is sent within 10 working days from discovery or, in the case of obvious defects, from delivery.

- (5) In the case of an unjustified demand for subsequent fulfilment, the Buyer shall be liable only if it has recognised or failed to recognise by gross negligence that no defect was present.
- (6) If the Seller does not fulfil its obligation for subsequent fulfilment – at the Buyer's choice, by rectification of the defect (remedy of defects) or delivery of an object free from defects (replacement delivery) – within an appropriate period set by the Buyer, the Buyer can rectify the defect itself and demand the refund of the required expenses for this purpose or a corresponding advance payment from the Seller. If the subsequent fulfilment by the Seller has failed or if it is unreasonable to the Buyer (e.g., due to particular urgency, risk to the operating safety or impending occurrence of disproportionate damages), setting of a period will not be required; the Buyer shall inform the Seller of such circumstances without delay and, if possible, in advance.
- (7) For the rest, the Buyer shall be entitled to reduce the purchase price or revoke from the contract pursuant to the legal regulations. Furthermore, the Buyer has a right to the compensation of damages and expenses pursuant to the legal regulations.

§ 9 Recourse against the supplier

- (1) The Buyer's recourse claims against the Seller within a supply chain, as defined by law (recourse against the supplier according to Sec. 445a, Sec. 445b, Sec. 478 BGB), are in the Buyer's unlimited entitlement besides the warranty claims. The Buyer has a right, in particular, to demand precisely the kind of subsequent fulfilment (remedy of defects or replacement delivery) from the Seller, which the Buyer owes its customers in the specific case. The Buyer's legal right to choose the cure (Sec. 439 (1) BGB) shall not be limited by this.
- (2) Before the Buyer acknowledges or fulfils a warranty claim asserted by its customer (including compensation of expenses pursuant to Sec. 445b (2), Sec. 439 (2) and (3) BGB), the Buyer shall inform the Seller by providing a brief description of the facts of the case and ask it for a statement in writing or text form (according to Sec. 2 GTP). If no statement is provided within an appropriate period and if no mutually agreed solution is effected either, the warranty claim actually granted by the Buyer shall be deemed owed to its customer; the Seller shall have the burden of proof for the opposite in this case.
- (3) The Buyer's claims arising from recourse against the supplier shall also apply even if the Products have been processed further before they were sold to a consumer by a customer of the Buyer, e.g., by installation into another product.

§ 10 Producer liability

- (1) If the Seller is responsible for a product damage, the Seller shall indemnify the Buyer from the claims of third parties to the extent that the cause is found to be

within the sphere of the Seller's control and organisation and in the way the Seller is liable personally in external relationships.

- (2) Within the scope of its obligation to indemnify, the Seller shall refund any expenses according to Sec. 683, Sec. 670 BGB, which arise from or in connection with any claims brought by third parties including any recall campaign conducted by the Buyer. The Buyer shall inform the Seller of the subject and scope of the recall actions – to the possible and reasonable extent – and provide it the opportunity to provide statements. Further statutory claims remain unaffected.
- (3) The Seller shall purchase and maintain a product liability insurance policy for a flat cover sum of at least EUR 10 million per personal injury/property damage.

§ 11 Limitation

- (1) The reciprocal claims of the Buyer and the Seller shall lapse by limitation according to the legal regulations, unless determined otherwise hereinbelow.
- (2) In deviation from Sec. 438 (1) no. 3 BGB, the general limitation period for warranty claims shall be three years from the transfer of risk. If an acceptance of the Products is agreed, the limitation period shall begin on the handover. The three-year limitation period shall also apply accordingly to claims arising from defects of title, whereas the legal limitation period for the rights of third parties to return the Products (Sec. 438 (1) No. 1a) BGB) shall remain unaffected. Claims arising from defects of title shall never lapse by limitation, for as long as the third party can still assert the right against the Buyer – in particular in absence of limitation.
- (3) The limitation periods for contracts on the sale of goods including the foregoing extension shall apply to all contractual warranty claims to the legally permissible extent. Unless the Buyer is also entitled to damages claims for a defect outside of the contract, the regular statutory limitation period (Sec. 195, Sec. 199 BGB) applies to this, unless the application of the limitation periods under the law of purchase contracts results in a longer limitation period in the specific case.

§ 12 Property and copyrights

- (1) The drawings, figures, calculations, descriptions, plans, execution instructions, product descriptions and other documents handed over by the Buyer are the property of the Buyer. They shall be used exclusively for the contractual service and be returned to the Buyer upon the completion of the order.
- (2) The provisions in para. 1 shall apply analogously to tools, templates, samples, models and other items, which are provided by the Buyer to the Seller for the manufacturing. They shall be stored separately and insured to an appropriate extent for destruction and loss at the Seller's cost.
- (3) The documents named in para. 1 and the Buyer's orders shall be subject to the Buyer's copyright. The same applies to software, which is provided by the Buyer to the Seller. The Seller may neither reproduce, disseminate nor transfer the documents named in para. 1 or the software to third parties without the Buyer's

explicit consent. On request by the Buyer, the software provided shall be deleted upon completion of the order.

§ 13 Confidentiality

- (1) The Seller shall be obligated to treat the information, data and specifications in documents according to Sec. 12 (1) GTP or in an electronic version, which are made available in the context of an order as confidential, unless they are publicly accessible. Information, data and specifications to be kept secret are to be used solely for the implementation of the order. They can be made accessible only with the Buyer's consent. This confidentiality obligation shall also apply for the period of three years after the completion of an order.
- (2) In the case of a violation of the confidentiality obligation in para.1, the Seller is obligated to compensate the loss arising from this to the Buyer.

§ 14 Compliance with laws

- (1) The Seller undertakes within the scope of the legal relationship with the Buyer to comply with the applicable legal regulations, in particular anti-corruption and anti-money laundering regulations, as well as anti-trust, labour and environmental laws.
- (2) The Seller shall ensure that the Products delivered by it satisfy all relevant requirements for placing products on the market in the European Union and in the European Economic Area. It shall prove the conformity on the Buyer's request by submission of suitable documents.
- (3) The Seller shall apply its reasonable efforts to ensure the compliance with the obligations named in § 13 GTP also by its suppliers.

§ 15 Place of jurisdiction, choice of law, interpretation of terms, contractual and negotiating language

- (1) The District Court of Mannheim (Germany) shall have exclusive jurisdiction for contractual and non-contractual disputes between the Buyer and the Seller if the Seller is – within the meaning of German law – either a merchant or has no domicile within the territory of the Federal Republic of Germany.
- (2) These GTP and the further legal relationships between the Buyer and the Seller, including the agreement on the place of jurisdiction in § 15 (1) GTP, shall be governed by the law of the Federal Republic of Germany, to the exclusion of international uniform law (in particular the UN Convention on Contracts for the International Sale of Goods/CISG).
- (3) All terms used in these GTP will be interpreted according to German law. The German language shall be the contractual and negotiating language, unless otherwise agreed between the Buyer and the Seller.