

General Terms and Conditions of Purchase of Goods and Services of Siemens Energy Kft.

- effective from 1st June 2021 -

1. Scope of the General Terms and Conditions of Purchase

- (1) These General Terms and Conditions of Purchase (hereinafter "General Terms") shall apply to all contractual relationship related to purchase or delivery of goods and services between Siemens Energy Kft. (Seat: H-1158 Budapest, Késmárk utca 24-28., Reg. Nr. 01-09-345695) as Buyer (hereinafter referred to as „Buyer”) and the Supplier.
- (2) In case of individual purchase, supply of goods or services the present General Terms shall become part of the individual contract for the supply of services. Any other terms that are different from the present General Terms shall be set out in the individual contract.

2. Conclusion of the contract

- (1) The contract is concluded between the Supplier and the Buyer if (a) the Buyer's order is confirmed by the Supplier within 1 (one) week after its receipt or, if indicated, it is confirmed within the time limit specified in the order with the same terms in a way that this confirmation reaches the Buyer within this time limit (b) or, in the absence of confirmation, the Supplier delivers in accordance with the relevant order. If the parties conclude a detailed written contract to govern their legal relationship, the date of conclusion of the contract is the date of signature.
- (2) The Supplier 's General Terms and Conditions shall not apply to the Buyer. Acceptance, receipt of supply or services or the payment shall not be considered as acceptance of the Supplier's General Terms and Conditions.

3. Delivery period, penalty

- (1) The delivery shall be deemed to be within the time limit if the delivered goods or service were received by the Buyer on the date or within the period specified in the contract at the place of performance specified by the Buyer and in accordance with the relevant contract.
- (2) When foreseeable delays in delivery occur, the Supplier shall notify the Buyer immediately by specifying the expected duration of the delay, even if the delivery period has not yet expired.
- (3) In case of delayed delivery, the Supplier shall be obliged to pay a penalty. Unless otherwise agreed, the penalty rate is 0.5%, however not more than 5% for each commenced day. The penalty is based on the total gross value of the order. In the event of a delay of more than 10 days, Buyer is entitled to withdraw from the contract. The Supplier shall compensate the Buyer for all damages caused by the breach of contract.

4. Passing of risk, transport

- (1) The risk and title pass upon acceptance by the Buyer of the goods and services that are in accordance with the contract at the place of performance specified by the Buyer. In the case of deliveries involving installation, the title passes from the Supplier to the Buyer upon acceptance at the place of performance specified by the Buyer, the risk upon receipt after installation.
- (2) Unless otherwise agreed, shipping and packaging costs shall be borne by the Supplier to the place of destination and the parties shall apply DDP Incoterms® 2020. Additional costs incurred due to non-compliance with the mode of delivery shall be borne by the Supplier. In the case of delivery to the place of performance specified by the Buyer, the Buyer is entitled to set the method of transport. The Supplier shall bear the additional costs arising from the non-compliance with the Buyer's instructions regarding delivery. Additional cost arising from the need to meet the delivery date by way of expedited shipment shall be borne by the Supplier.

- (3) Each supply shall be accompanied by a packing list indicating the contents of the supply or a delivery note and those shall also indicate the contract number and the purchase order number. The consignment must be notified with the same data (dispatch note).
- (4) If the transport is performed by a carrier commissioned by the Buyer, the Supplier shall inform the carrier of the necessary data on dangerous goods in accordance with legal regulations.
- (5) If the Buyer informed the Supplier that a different mode of transport has been scheduled after the first delivery, the Supplier shall also comply with the applicable legal regulations for dangerous goods with regard to such ongoing transport.
- (6) Payment shall not be considered as an acceptance that the relevant supply or services were delivered in accordance with the contract.
- (7) By concluding the contract and / or fulfilling the order, the Supplier expressly accepts that the retention of title of the contractual goods is excluded, the breach of which constitutes a serious breach of contract.
- (8) In the case of goods subject to copyright or equal protection the Supplier shall grant the Buyer exploitation and property right that is unlimited in time and place, absolut, modifiable, reproducible, can be copied and is unrestrictedly transferable to third parties.

5. Invoicing

The original invoice and the document confirming the receipt by the Buyer (delivery/handover-report, certificate of completion etc.) shall be sent directly to the Buyer's current account department. In the invoices the order number, the contract number and the number of each position shall be indicated. In the absence of these, the invoice cannot be paid, and in the absence of the order number (PO number), the invoice is deemed to be incorrect and shall be returned by the Buyer.

6. Payment

- (1) Unless otherwise agreed, payment shall be made on the following terms: The deadline for payment of the gross total amount of the invoice shall be 60 calendar days.
- (2) The period within which invoices must be paid commences when the delivery or service has been performed in full, without defects, complete and in accordance with the contract and upon receipt of the properly issued invoice by the Buyer. If the Supplier is obliged to provide other documentation (ie. performance protocol, protocol on material and measurment tests, certificate of quality or any other documentation) at the same time of delivery, deliveries and services will be regarded as fully performed only upon receipt of such documentation. The certificate of completion shall be always attached to the invoice, otherwise the Buyer will not make any payment. If the Supplier charges additional costs or performs defectively, the payment deadline shall be set according to the date of elimination of the mentioned deficiencies (i.e. date of performance in accordance with the contract) or the clarification date of price differences.

7. Guarantee, Warranty

- (1) Unless otherwise stipulated by law or agreed by the parties, Supplier is obliged to provide a 1-year guarantee. If the manufacturer of the contractual goods undertakes a longer guarantee period, the Supplier shall be obliged to deliver the given contractual goods with this longer guarantee period. The period of the guarantee shall commence with the acceptance of the goods or services delivered in accordance with the contract at the place of performance specified by the Buyer, in case of delivery with installation with the receipt after installation.
- (2) The Supplier shall - subject to the choice of the Buyer - repair the lack of conformity (defect) that occurred within the gurantee period without delay at its own cost or perform again the delivery or service in conformity (replacement). This shall also apply to supplies where only random checks have been carried out.
- (2) Should the Supplier fail or refuse to repair, remedy or replace the defective goods or service within the deadline specified by the Buyer, then the Buyer has the right according to its choice to
 - ask for price reduction,
 - repair or deliver itself or have it repaired or delivered at the Supplier's cost and risk,
 - partially or entirely withdraw from the contract or the relevant supply, furthermore
 - the Supplier shall fully reimburse the costs of the Buyer related to the substitute contract.

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- (3) Buyer is in all cases entitled to claim compensation for its damages from the Supplier.
- (4) Buyer shall check immediately after the delivery whether the supply complies with the quantity and type requirements of the ordered goods, as well as whether there are any visible or other defects. If the Buyer discovers any defects during this inspection, it shall notify the Supplier of those defects. If the Buyer discover defects later, it shall notify the Supplier equally. Warranty claims can be made within 6 (six) months after the delivery of goods or services, however if defects cannot be detected during installation, processing or first use, then within one month after discovery. In this respect, the Buyer has no further obligation towards the Supplier other than the inspection and the above-mentioned information obligation.
- (5) The cost and risk of repair or replacement of the defective performance shall be borne by the Supplier.
- (6) The above provisions shall apply mutatis mutandis to the performance during the elimination of deficiencies.
- (7) For the warranty, the relevant provisions of the Civil Code shall prevail.

8. Transfer of contractual rights and obligation to third person

Supplier is not entitled to transfer its contractual rights and obligations to a third party without prior written approval of the Buyer. If Supplier transfers its contractual rights and obligations to a third party without prior written approval of the Buyer, it fails to comply with his obligation and Buyer is entitled to withdraw from the contract entirely or partly and claim damages.

9. Material provided by Buyer

- (1) Any material provided for the Supplier remains the Buyer's property and is to be stored, labelled and managed separately, free of charge at the Supplier's risk. The Supplier may use these materials only after a prior written consent and for the purpose specified by the Buyer. The Supplier shall compensate for a diminution in value, shortage, destruction, loss of the material. The above provision shall also apply for accounted delivery of materials related to an order.
- (2) The processing of the material, resp. transformation is made to the Buyer. Material processed or transformed upon the Buyer's order belongs to the Buyer. The Supplier shall safeguard the finished item free of charge.

10. Termination of the contract

- (1) The contract terminates with the withdrawal of the Buyer.
- (2) The contract terminates if the Buyer terminates it in writing with 30 days notice.
- (3) Buyer is entitled to terminate the contract with immediate effect or withdraw from it in case of serious breach of the contract by the Supplier.
- (4) Buyer may withdraw from the contract at any time without giving reasons. In such a case, the Supplier is entitled to charge the Buyer for the delivered goods and provided services if the Buyer accepts the already established facilities, completed deliveries or services, however the Supplier's claim for damages, be it any claim for damages - whether consequential or adhesive - as well as lost profits, lost revenue, loss of production, compensation to third parties, penalties, costs, indemnification, etc is excluded.

11. Code of conduct for Supplier, security in supply chain

- (1) Supplier acknowledges that the Buyer has concluded the individual contract with the Supplier on the condition that the Supplier undertakes to fulfill the following and certifies this by signing the individual contract. The Supplier undertakes to fully comply with the provisions of the Hungarian law governing the contract while performing it, and it shall not engage, actively or passively, directly or indirectly, in any form of bribery, violation of fundamental rights of its employees or child labour. Moreover, the Supplier shall take responsibility for the health and safety of its employees at their workplace. Supplier is obliged to act in accordance with the applicable environmental laws and make the best efforts to promote this Code of Conduct among its Suppliers and other contractual partners.

- (2) If the Supplier violates these obligations, the Buyer has the right to withdraw from the contract or terminate it without any further obligations. If, however, the Supplier's breach of obligation is capable of remedy, withdrawal or termination may occur only after the conciliation discussions between the parties failed after a reasonable period of time.
- (3) The Supplier shall provide the necessary organizational instructions and take measures, particularly with regard to the following: premises security, packaging and transport, business partners, personnel and information - in order to guarantee the security in the supply chain according to the requirements of respective internationally recognized initiatives based on the WCO SAFE Framework of Standards (e.g. AEO, C-TPAT).
- (4) The Supplier shall protect the goods and services provided to Buyer or to third parties designated by Buyer against unauthorized access and manipulation. The Supplier shall only deploy reliable personnel for those goods and services and shall obligate any subcontractors to take equivalent security measures.

12. Tools, forms, samples, confidentiality etc.

Any tools, patterns, samples, models, profiles, drawings, standard specification sheets, printing templates, forms and templates provided by the Buyer, as well as any materials derived therefrom, shall not be made available to any third party nor be used for any other purposes than those contractually agreed, without the Buyer's prior written approval. The Supplier shall protect these materials against unauthorised access and use. Without prejudice to any further rights, the Buyer may demand the return of such materials if the Supplier violates the duties referred to above.

The Supplier shall not make any information, data, know-how obtained from or related to the Buyer available to third parties without the prior written consent of the Buyer.

The Supplier is obliged to maintain any equipment entrusted to him in a condition suitable for manufacturing or use and preserve them in the condition corresponding to the original.

13. Protection of environment, health and safety at work, dangerous goods

- (1) The Supplier shall carry out its activities in accordance with the quality, environment-focused and occupational health and safety management system of the Buyer.
- (2) The Supplier shall be aware of the environmental impact of its own activities, occupational health and safety risks and comply with the current legislation in force on the protection of the environment and the establishment of safe working conditions that do not endanger health, and in particular with the following laws:
Act CLXXXV. of 2012 on waste,
Act LIII. of 1995 on general rules for the protection of the environment,
Act LIII. of 1996 on protection of nature
Act XXV. of 2000 on chemical safety
Act XCIII. of 1993 on health and safety at work („Mvt.”), as well as their implementing instructions and regulations.
- (3) If the contractual good is or is deemed to be electronic and falls under Government Decree of 2014. Nr. 197 and or Government Decree of 2012. Nr. 374, the Supplier shall ensure the product's conformity with the provisions of these decrees.
- (4) The Supplier is liable for all environmental damages and waste resulting from its activity. It is the obligation of the Supplier to manage the generated waste (collecting, register, disposal) in accordance with the legal requirements.
- (5) The Supplier shall comply with environmental protection, occupational health and safety and fire safety requirements during its activity. The Supplier shall ensure sufficient, qualified (professional, occupational health and safety and fire protection) personnel for the tasks with valid medical examination, suitable personal protective equipment, furthermore the use of other equipments required by occupational health and safety legislation.
- (6) The Supplier shall ensure that the information necessary to comply with the requirements reaches its employees.
- (7) The Buyer is entitled to monitor the Supplier's compliance with the provisions in the field of environmental protection, occupational health and safety and fire safety at any time. If the Buyer discovers a serious non-compliance (endangering others, endangering the environment, working without protection at heights, irregular cranes, drinking alcohol), he is entitled to suspend work until

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the non-compliance is remedied. The Buyer shall have no liability for the disadvantages (delayed performance) of the Supplier deriving from the suspension of work.

- (8) Should the delivery contain goods which – according to international regulations – are classified as dangerous goods, the Supplier shall inform the Buyer thereof in a form agreed upon between Supplier and Buyer, but in no case later than the date of order confirmation.
- (9) Should the Supplier deliver legally permissible products, which are, however, subject to statutorily-imposed substance restrictions and/ or information requirements (e.g. REACH, RoHS), the Supplier shall declare such substances in the web database BOMcheck (www.BOMcheck.net) no later than the date of first delivery of products. The foregoing shall only apply with respect to laws which are applicable at the registered seat of Supplier or Siemens Energy Kft. or at the designated place of delivery requested by Siemens Energy Kft.

14.Reservation clause

The Buyer's obligation to fulfil this agreement is subject to the condition that the fulfilment is not hindered by any impediments arising out of national and international legal requirements related to foreign trade or any embargos (and/or other sanctions).

15.Export control and foreign trade data

When providing goods and services in accordance with the present contract, the Supplier shall comply with all requirements of export, customs and foreign trade legislation (hereinafter referred to as "Foreign Trade Regulations"). The Supplier shall forward to the Buyer in writing all necessary information and data required by Buyer to comply with all applicable Foreign Trade Regulations governing the export and import as well as the re-export of the goods and services of the given countries within 2 weeks upon receipt of the order or in case of any modification, including in particular the following:

- all applicable export list numbers, including the "Export Control Classification Number" pursuant to the U.S. Commerce Control List (ECCN); and
- the statistical commodity code according to the current commodity classification for foreign trade statistics and the HS (Harmonized System) Code; and
- the country of origin (non-preferential origin); and upon request of Buyer the preferential origin declarations by the Supplier (in the case of European Suppliers) or other preferential certificates (in the case of non-European Suppliers)

The Supplier shall be liable for any expenses and damage incurred by Buyer due to the breach of the above obligation by the Supplier unless the Supplier is not responsible for the breach.

16.Supplier's insolvency

If the Supplier has suspended its payments, or if bankruptcy or liquidation proceedings have been initiated against the Supplier by a final court decision, the Buyer is entitled to terminate or withdraw from the contract and / or any purchase order based on it. In the event of termination or withdrawal, the Buyer is entitled, but not obliged to use the the already established facilities, completed deliveries or services provided by the Supplier against fair payment.

17.Jurisdiction, applicable law, final provisions

- (1) Unless otherwise stipulated in the contract, in case of any legal disputes arising from the contract and it's integral part, the present General Terms the Hungarian law shall apply and it shall be under exclusive jurisdiction of Hungarian courts. Application of the Vienna (United Nations) Convention on Contracts for the International Sale of Goods is excluded.
- (2) By concluding the Individual Contract, the Parties accept that the rights and obligations do not necessarily apply to and burden equally the Parties. The Parties, after careful consideration, expressly conclude the contract in line with this intention and at the same time exclude the right to appeal on the grounds of significant disproportion in value.
- (3) By concluding the contract, the Supplier expressly renounce any possible right to enforce any claim(s) against the managers/executives of the Buyer.

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- (4) The custom widely known and regularly used by the subjects of a similar contract in the given business shall only become part of the agreement between the Supplier and the Buyer if the Supplier and the Buyer agreed about it expressly and in writing.
- (5) The liability of the Buyer is excluded for any damages be it direct, indirect, adhesive or consequential, furthermore for lost profits, loss of interest, loss of data, information or business, penalties payable to third parties, compensation, loss of production and manufacturing expect for damages caused intentionally or damages caused to life, physical integrity or health.
- (6) In matters not settled in the present General Terms the provisions of the Civil Code shall apply.
- (7) Upon concluding the contract or acceptance of the order, the Supplier declares that is is aware of and accepts the Buyer 's Code of Conduct, the current version of which is available at www.siemens-energy.com.