



General Terms and Conditions of Sale (GTCS) of the Hochwald Group

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§ 1

Scope of Application - Exclusion of Conflicting General Terms and Conditions of the Purchaser

1. The following general terms and conditions of sale (hereinafter: "**GTCS**") shall apply to all contracts between Hochwald Foods GmbH and its affiliated companies pursuant to §§ 15 et seq. AktG (German Stock Corporation Act), in particular Bärenmarke Vertriebsgesellschaft mbH, ALMIL AG and Hochwald Foods Whey Ingredients (hereinafter: "**Hochwald**") concerning the manufacture and supply of goods and associated services (hereinafter: "**Products**") and contracting partners who are not consumers within the meaning of § 13 BGB (German Civil Code) (hereinafter: "**Purchaser**"), unless the Purchaser and Hochwald (hereinafter: jointly the "**Contractors**") have entered into an express deviating individual agreement in accordance with the provisions of these GTCS. The applicability of these GTCS shall also apply to continued business relationships without the need for them to be expressly agreed again. The GTCS shall apply to all present and future business relations between the Contractors.
2. If individual contractual agreements on the sale of Products are concluded between the Contractors in which the scope of performance or the respective performance obligations are specified (hereinafter: "**Individual Contract(s)**"), these shall take precedence over the GTCS insofar as they contradict the GTCS. Otherwise, the Individual Contract shall be supplemented by the GTCS and the GTCS shall be an integral part of the Individual Contract.
3. The GTCS shall apply exclusively. The validity of the Purchaser's general terms and conditions of purchase or other terms and conditions of business is objected to. The unconditional execution of the delivery and/or provision of any other service shall not constitute any recognition by Hochwald of such conflicting terms and conditions, even if Hochwald is aware of them. The Purchaser's terms and conditions shall only apply insofar as Hochwald has expressly agreed to their validity in writing.

§ 2

Conclusion of Contract - Ordering Process - Sales Markets - Food Law Regulations

1. The offers made by Hochwald are subject to change and are non-binding.
2. Orders placed by the Purchaser shall only be deemed to have been accepted if they have been expressly confirmed by Hochwald at least in text form or impliedly by delivery of the ordered Products. Hochwald is entitled, but not obliged, to use qualified subcontractors to fulfill its obligations.
3. Performance and quality descriptions as well as specifications of the Products to be supplied by Hochwald do not constitute guarantees of quality or other warranties. A guarantee shall only exist if it is expressly designated as a "guarantee".
4. **Sales markets & food law regulations:** The Purchaser is obliged to expressly specify to Hochwald in writing or text form - at the latest when an order is placed - the sales markets or countries in which the Products to be manufactured will be marketed (hereinafter: "**Sales Markets**"). The marketing of these Products in these Sales Markets is only accepted by Hochwald if Hochwald expressly agrees in writing or text form to the marketing in these Sales Markets. If the Purchaser does not expressly specify to Hochwald in writing or text form the Sales

Markets in which the Products are and/or are to be marketed and these Sales Markets are not mutually agreed by the Contractors, only the Federal Republic of Germany and the Sales Markets accepted by Hochwald in writing shall be deemed to have been mutually agreed between Contractors.

4.1 The Purchaser alone shall bear all risks, in particular of an economic and legal nature, for Sales Markets not determined by mutual agreement and shall bear full responsibility for placing the Products on those Sales Markets. The Purchaser shall always be responsible himself and at its own expense for obtaining all permits, registrations, licenses or other official authorizations, in particular operating permits, import licenses and foreign exchange permits, so that the Products can be imported by the Purchaser into the Sales Market and placed on the market there. The Purchaser shall indemnify and hold Hochwald harmless from and against any and all claims of third parties arising from or in connection with the placing of the Products on the market in Sales Markets which have not been mutually agreed and/or due to the failure to obtain permits, registrations, licenses or other official authorizations.

4.2 Hochwald shall comply with the statutory food law regulations of the Federal Republic of Germany and the mandatory relevant statutory food law regulations of the European Union. Should regulations other than those of the Federal Republic of Germany and/or the European Union have to be taken into account (e.g. local regulations of the notified Sales Markets), the Purchaser is obliged to inform Hochwald thereof in good time and in full (e.g. by submitting official and regulatory notifications, regulations and legal texts without being requested to do so). The information provided shall be in German or English. Hochwald undertakes to examine whether or to what extent the manufacture of the Product concerned in each case is possible for Hochwald taking into account these more extensive regulations - as provided by the Purchaser. Without Hochwald's express consent in writing, production and delivery under these more stringent regulations shall be refused without this triggering any claims for damages or other claims to the disadvantage of Hochwald. The Purchaser shall indemnify Hochwald against any third-party claims in this regard.

4.3 The Purchaser is obliged, insofar as it determines product specifications, to notify Hochwald immediately and without being requested of any specification-relevant changes to the Product. Hochwald is obliged to check whether it is possible to manufacture the Product under modified requirements and has the right to refuse production and delivery without triggering any claims for damages or other claims to the detriment of Hochwald.

§ 3

Prices - Terms of Payment

1. Hochwald reserves the right to adjust its prices accordingly if cost reductions or cost increases occur after conclusion of an Individual Contract, in particular due to collective wage agreements, energy, material and/or raw material price changes. Opposing cost factors shall be offset against each other accordingly. Hochwald shall provide evidence of the cost factors to the Purchaser upon request. Hochwald shall notify Purchaser of any adjustments.
2. Statutory value added tax is not included in Hochwald's prices; to the extent that such tax is actually incurred, it will be shown separately on the invoice at the statutory rate applicable on the date of invoicing.
3. Unless otherwise stated in the order confirmation, the net purchase price (without deductions) shall be due for payment within 14 days of the invoice date. Should the Purchaser fail to settle the invoice within this period, the Purchaser shall automatically be in default.
4. The Purchaser shall only be entitled to set-off rights and rights of retention if his counterclaims have been legally established or are undisputed between the contracting parties.

5. If the Purchaser is in default of payment of a claim, all other claims against the Purchaser may be made due.
6. Hochwald is entitled to assign and transfer claims against the Purchaser to third parties without the Purchaser's prior consent, in particular for general financing purposes.

§ 4

Delivery - Delivery Period - Force Majeure

1. Hochwald is entitled to partial performance or partial deliveries to a reasonable extent. The Purchaser shall not reject such partial deliveries unless this is unreasonable for the Purchaser. The additional costs of dispatch are to be borne by Hochwald.
2. Deliveries by Hochwald do not constitute transactions for delivery by a fixed date (*Fixgeschäft*). Delivery and performance dates are only binding if they have been expressly confirmed by Hochwald at least in text form. Otherwise, the delivery dates stated by Hochwald represent the estimated date of delivery. If this date cannot be met, Hochwald shall inform the Purchaser of this circumstance as soon as possible.
3. Compliance with the delivery obligation of Hochwald further requires the timely and proper fulfillment of the Purchaser's obligations. The objection of non-performance of the contract (§ 320 BGB) and the objection of uncertainty (§ 321 BGB) remain reserved. Decisive for the timeliness of the delivery obligation is the time of provision of the products ex works.
4. The provisions and limitations of liability of § 9 of these GTCS shall also apply to any claims of the Purchaser arising from a delay in delivery.
5. Unavoidable events and dangers which originate externally, have no operational connection and cannot be averted even by the utmost reasonably expected care, which lead to an impairment of production or other impairment of the contractual obligations (hereinafter: "**Force Majeure**") such as, in particular, natural disasters of any kind; pandemics; epidemics and other spread of infectious diseases, such as, in particular, SARS/Covid-19 and their mutations, as well as shortages of raw materials, pauses Hochwald's delivery obligation for the time of their duration and to the extent of their effect. In the event of Force Majeure, Hochwald's liability for non-delivery and delay shall be excluded. The contracting parties are obliged to inform each other if they have knowledge of force majeure affecting the contractual relationship.

§ 5

Incoterms® - Transfer of Risk - Transport Insurance - Inspection Rights

1. Unless otherwise specified in the Individual Contract(s), the delivery of the Products is agreed to be "EXW (Incoterms® 2020) at the factory/warehouse" during Hochwald's regular business hours at the destination (*Bestimmungsort*) is agreed.
2. Hochwald does not insure the delivery of Products unless the Contractors have expressly agreed otherwise. The Purchaser is obligated to adequately insure the Products at its own expense against fire, water and theft damage up to their replacement value. The Purchaser is also obliged to provide proof of insurance to Hochwald immediately upon the first request.
3. Audits and examinations by the Purchaser shall be notified in timely manner, require prior approval from Hochwald and shall not disrupt the normal business operation of Hochwald. Audits and examinations shall be only conducted during regular business hours and in compliance with hygiene and safety regulations. The Purchaser is responsible for covering all costs associated with audits and examinations initiated or arranged by the Purchaser.

§ 6

Duty to Inspect - Complaints - Actions in Case of Product Defects - Other Obligations of the Purchaser

1. The Purchaser shall promptly conduct a proper inspection of the Products immediately upon delivery and shall immediately notify

Hochwald of any defects, in written. Hidden defects are to be reported immediately upon their discovery.

2. The notification shall include a precise description of the complaints/defects and shall be accompanied by all relevant documents and evidence, especially by providing samples of the contested Products. If the Purchaser fails to issue the immediate notification as per these provisions, the delivered Products shall be deemed accepted as conforming to the Individual Contract(s) and free from defects.
3. Furthermore, the Purchaser shall promptly, to the extent possible based on the nature of the Product, especially before any further processing of the Product, conduct or have professionally conducted microbiological, chemical, and other comparable examinations of the Product at its own expense and notify Hochwald of any defect in writing.
4. If the Purchaser becomes aware or must become aware, or has reason to believe that the Products they have ordered from Hochwald or received from a delivery by Hochwald do not meet the requirements for food safety, Purchaser shall immediately inform Hochwald thereof, both by telephone and in written form (via email or fax), and take immediate steps to initiate procedures and implement measures to reduce, in compliance with all statutory requirements and any directives from authorities, all risks, dangers, and damages that may emanate or could emanate from the unsafe products in accordance with the duty of damage mitigation, using all available means, and assist Hochwald in complying with all legal requirements. The determination of whether a food product is safe shall be made in accordance with Regulation (EC) No 178/2002 of the European Union (Food Law Regulation).

§ 7

Supplementary Performance - Statute of Limitation

1. In the event of a Product defect for which Hochwald is proven to be at fault and liable, Hochwald is entitled to subsequent performance by delivering a new, defect-free item.
2. A Product defect does not entitle the Purchaser to terminate an Individual Contract. The termination provisions as outlined in these GTCS are conclusive with regard to the termination of the Individual Contract with Hochwald.
3. The limitation period for claims for defects and in particular all claims for damages is 12 months from the transfer of risk. The standard period of 3 years applies to claims for damages due to injury to life, limb or health or due to damage caused by gross negligence or intent.

§ 8

Limitations of Liability - Contributory Negligence - Indemnification

1. Hochwald's liability is limited to intent and gross negligence and only applies to actual and proven damages that were culpably caused by Hochwald and are actually attributable to Hochwald.
2. In the event of injury to life, limb or health (personal injury) and/or culpable breach of material contractual obligations (*Kardinalspflichten*), Hochwald shall also be liable in deviation from § 8 No 1. in the event of simple negligence. Essential contractual obligations are those obligations whose fulfillment is essential for the proper execution of an Individual Contract and on whose compliance the Purchaser may regularly rely. In the event of a breach of material contractual obligations, Hochwald's liability is limited to the amount of reasonably foreseeable damages typical of the Individual Contract at the time of conclusion of the Individual Contract.
3. Liability for indirect damages - i.e. damage that does not occur directly as a result of the damaging event, but is caused by a second event, in particular but not exclusively financial loss such as loss of profit, consequential damage or downtime costs - is excluded.
4. The above-mentioned limitations of liability and/or exclusion of liability do not apply in cases of fraud, intent and/or gross negligence, in cases of personal injury, for statutory liability that

is not based on fault (e.g., under product liability law (*Produkthaftungsgesetz*), liability arising from a no-fault guarantee, or the assumption of procurement risks, and/or in the case of delay when a binding delivery deadline has been agreed. The latter shall be governed by the relevant statutory provisions

5. The above mentioned liability provisions also apply to the personal liability of Hochwald's legal representatives and other vicarious agents
6. The Purchaser shall indemnify Hochwald, upon the first request, from all claims by third parties that result from and/or are related to the fact that the Products have been placed in markets other than those defined in § 2, No. 4 of these GTC, and/or do not comply with the Sales Market's requirements, and Hochwald was not obligated to comply with them.
7. Furthermore, the Purchaser shall indemnify Hochwald, upon the first request, from all claims by third parties and damages that are asserted against Hochwald or suffered by Hochwald due to the fact that third parties, especially end customers and authorities, hold Hochwald liable for a defect in the delivered Product and/or the infringement of intellectual property rights in the case of manufacturing under the brand of the Purchaser, even though Hochwald is not solely or not primarily responsible for the defect and damage, and the claim is due to an act or omission by the Purchaser and/or its agents.
8. In cases of multiple parties' negligence, Hochwald's liability is limited to the extent of its own degree of fault, taking into account the liability limitations in the preceding sections.
9. In the event of a claim, the Purchaser is obliged to inform Hochwald immediately and in full in text form of all facts known to it that give rise to a claim. The Purchaser bears the burden of presentation and proof in the event of a claim.

§ 9

(Extended) Retention of Title - Rights to Documents - Intellectual Property - Rights of Use

1. The delivered goods (goods under retention of title) shall remain the property of Hochwald until full payment of all claims arising from the respective Individual Contract.
2. In the event of the Purchaser's default in payment, Hochwald is entitled to prohibit the further sale of the affected Products after setting a reasonable deadline. In the exercise of the retention of title, and to the extent Hochwald allows the Purchaser to resell the products in the ordinary course of business, the Purchaser hereby assigns to Hochwald all claims arising from the resale to its buyers or third parties, in the amount of the final invoice amount (including VAT) of the relevant outstanding claims. This assignment applies regardless of whether the Products have been resold without processing or after processing, with the assigned claims not significantly exceeding the value of the secured claims, thus resulting in a release. Hochwald acknowledges the assignment. The Purchaser remains authorized to collect these claims even after the assignment. Hochwald's authority to collect the claims itself remains unaffected. However, Hochwald undertakes not to collect the claims as long as the Purchaser fulfills its payment obligations from the proceeds received, is not in default of payment, and, in particular, no application for the initiation of bankruptcy, composition, or insolvency proceedings has been filed or payment has been suspended. If such an event occurs, Hochwald may demand that the Purchaser disclose the assigned claims and their debtors, provide all information necessary for collection, hand over the relevant documents, and inform the debtors (third parties) of the assignment.
3. All industrial property rights, know-how, or intellectual property rights related to or associated with the Products ("**IP-Rights**") are and shall remain the sole property of Hochwald. No IP-Rights are transferred to the Purchaser unless expressly agreed in writing at least on a case-by-case basis. The Purchaser does not acquire any licenses to IP-Rights, even if the Products have been specifically designed, developed, and/or manufactured for the Purchaser.

§ 10

Pallet Exchange - Packaging Materials

1. Pallets for exchange shall be exchanged on a quid pro quo basis. In the event of additional costs incurred by Hochwald due to the impossibility of a quid pro quo pallet exchange (e.g., due to the involvement of pallet service providers), Hochwald is entitled to pass these costs on to the Purchaser.
2. Hochwald is entitled to receive economic compensation from the Purchaser for all packaging materials related to the Purchaser and for raw and consumable materials kept in stock, which have been acquired or produced in anticipation of the Purchaser's announced orders and have remained unused because the purchaser has not placed orders in the corresponding quantity or will not do so (anymore), to the extent that these remaining stocks of packaging materials and raw and consumable materials cannot be used for other purposes.

§ 11

Print Execution - Declaration

If packaging material is printed in accordance with the documents provided by the Purchaser and packaging, brand labels, advertising statements and/or recipes are used in accordance with the Purchaser's specifications, the Purchaser shall indemnify Hochwald against claims for any infringement of third-party rights, in particular third-party patents, industrial property rights and copyrights, designs, slogans, presentation and text as well as for the conformity of the declarations with the relevant standards of the sales markets and shall release Hochwald from all such third-party claims.

§ 12

Resale to Third Parties

1. The Purchaser is obliged vis-à-vis Hochwald to ensure that commercial third parties to whom the Purchaser resells a Product (e.g. for the purpose of further processing) shall comply with at least the same obligations and restrictions as the Purchaser under these GTCs.
2. In the event of a breach of the aforementioned obligation, the Purchaser shall indemnify Hochwald against all resulting damages.

§ 13

Confidentiality and non-disclosure of information

1. The Purchaser is obliged to treat all confidential and proprietary information that it receives from Hochwald or with reference to Hochwald (hereinafter "**Confidential Information**") as confidential and not to disclose it, i.e. not to make it accessible to third parties in any way, either directly or indirectly, or to take any action to derive Confidential Information in any way (so-called reverse engineering), regardless of whether this Confidential Information is individually marked as confidential or not. The Purchaser shall not use Confidential Information for any purpose other than to fulfill its obligations under an Individual Contract and/or these GTC.
2. The aforementioned confidentiality obligation shall not apply to information that is in the public domain. The Purchaser shall provide evidence of public knowledge in each individual case.
3. The Purchaser shall impose the aforementioned confidentiality obligation on its employees, representatives, subcontractors and/or all other third parties commissioned by it in the same way and shall provide evidence of this in text form immediately upon request by Hochwald.
4. If the Purchaser is obliged to disclose Confidential Information to third parties, in particular courts or authorities, the Purchaser is entitled to do so after Hochwald's approval, which shall not be refused without good reason.
5. In the event that the Purchaser breaches the aforementioned confidentiality obligations, a contractual penalty to be determined by Hochwald at its reasonable discretion and, in the event of a dispute, to be reviewed for reasonableness by the competent court, shall be payable for each case of infringement. The contractual penalty is due upon proof of the breach by Hochwald. This does not exclude the assertion of further claims for damages. Any

contractual penalty paid by the Contractors shall be offset against the claim for damages exceeding the amount of the contractual penalty.

§ 14 Data Protection

If personal data is processed or stored as part of the business relationship, this is done in accordance with the applicable statutory provisions, in particular the DS-GVO .

§ 15 Code of Conduct - Supply Chain Due Diligence Act (LkSG) - AgrarOLkG - Human Rights

1. The Purchaser undertakes not to fall short of respectively to comply with the requirements, prohibitions and restrictions of the current Code of Conduct of Hochwald, which is available on the Hochwald website at www.hochwald.de and/or can be requested from Hochwald at any time.
2. Notwithstanding compliance with the Hochwald Code of Conduct or a similar standard, the Purchaser undertakes vis-à-vis Hochwald to recognize, comply with and implement the following human rights and environmental due diligence obligations under the German Supply Chain Due Diligence Act ("LkSG") throughout its entire supply chain:
 - i. Freedom from discrimination,
 - ii. Prohibition of child labor,
 - iii. Protection from slavery, slavery-like practices, forced labor, servitude or other forms of domination or oppression in the workplace(s),
 - iv. Freedom from discrimination,
 - v. Protection from unlawful dispossession of land and unlawful eviction,
 - vi. Occupational health and safety and protection from related health hazards,
 - vii. Prohibition of the withholding of an appropriate wage,
 - viii. the right to form trade unions or employee representative bodies,
 - ix. Prohibition of causing harmful soil change, water pollution, air pollution, harmful noise emissions or excessive water consumption affecting food security, access to drinking water, access to sanitary facilities or the health of persons,
 - x. Protection from torture and cruel, inhuman or degrading treatment, including through the use of public or private security forces

In order to comply with these duties of care under the LkSG, the Purchaser undertakes to take appropriate measures, in particular but not exclusively to maintain a suitable risk management system, to carry out regular risk analyses and to implement preventive measures.

3. The Purchaser is obliged to comply with the Law on Strengthening Organizations and Supply Chains in the Agricultural Sector (*Agrarorganisationen-und-Lieferketten-Gesetz* - AgrarOLkG) in relation to Hochwald, even if the transaction or the legal relationship may not fall within the scope of this law .
4. The Purchaser guarantees that he adheres to human rights in accordance with the definition of the Universal Declaration of Human Rights (A/RES/217, UN-Doc. 217/A-(III)) of the United Nations.

§ 16 Term - Termination

1. Unless the Contractors have agreed otherwise, a Individual Contract shall run for an indefinite period and may be terminated with six months' notice to the end of the month.
2. The Contractors are entitled to extraordinary termination of the Individual Contract without notice if there is good cause. Good cause shall be deemed to be the occurrence of such circumstances that make it unreasonable for one of the Contractors to adhere to the Individual Contract. Good cause shall be deemed to exist in particular if

- a. One of the Contractors suffers financial collapse and as a result or for other economic reasons is not in a position to maintain the previous business operations in terms of type and scope in the previous manner;
 - b. foreclosures are levied on the assets of the Contractors which could make it difficult or impossible to properly fulfill the contractual obligations;
 - c. The Purchaser is more than 8 weeks in delay with at least one payment of the payment obligation despite a reminder.
3. Termination of the Individual Contract shall be at least in text form. The date of receipt of the letter of termination shall be decisive for compliance with the notice period.

§ 17 Miscellaneous - Place of Jurisdiction - Applicable Law

1. The place of performance (*Erfüllungsort*) for the services to be provided under the Individual Contract is the registered office of Hochwald, unless otherwise prescribed by law .
2. Should a provision in these GTCS or in the context of other agreements be or become invalid, this shall not affect the validity of all other provisions or agreements. The invalid clause shall be replaced by the corresponding statutory provision.
3. The **law of the Federal Republic of Germany** applies to all disputes between Hochwald and the Purchaser, to the exclusion of German international private law (IPR) and the UN Convention on Contracts for the International Sale of Goods (CISG).
4. Unless another place of jurisdiction is prescribed by law , the place of jurisdiction is **Trier** in Germany.