

General Terms and Conditions of Purchase

These are the general terms and conditions of purchase of the HEGGE group, including Hegge Toelevering NV (BE0433.921.382), Aluwing NV (BE0839.380.788), Bosklo NV (BE0466.622.359), Mildij NV (BE0451.348.027) and Hegge Invest NV (BE0752.718.317), hereinafter referred to as HEGGE.

These terms and conditions of purchase (hereinafter the "Standard Terms") form an integral part of the agreement and apply to every current or future order (hereinafter the "Order") for materials, equipment or services (collectively referred to as "Goods") of any kind whatsoever, without this enumeration being construed as exhaustive, supplied pursuant to such an order.

Any deviation from these Standard Terms requires express written agreement. These Standard Terms apply to the exclusion of all other terms and documents, in particular the standard terms of the supplier, subcontractor or service provider (collectively referred to as the "Supplier"). For HEGGE, the exclusive application of these Standard Terms is an essential condition for entering into the agreement.

By entering into or performing the agreement, the Supplier acknowledges receipt of the Standard Terms, accepts them and waives its own standard terms.

HEGGE automatically objects to any terms stated in the Supplier's order confirmation that conflict with the terms of the Order, including these Standard Terms.

Electronic Data Interchange (EDI) and email are sufficient for written communication unless paper documentation is formally required.

1) Definitions

- a. "Purchase Order" means HEGGE's written request to purchase Goods from a Supplier at the stated price and expected delivery date or dates.
- b. "Framework Agreement" means the written agreement between HEGGE and the Supplier to purchase Goods over a specified period. The Framework Agreement contains, at a minimum, the price, quantity, payment terms and Incoterms applicable when HEGGE issues a Purchase Order to purchase the Goods. Performance of the Framework Agreement is triggered by a Purchase Order.
- c. "Order" or "Agreement" includes both a Purchase Order and a Framework Agreement.
- d. "Defective Part" or "Defect" means any Goods that do not comply with the requirements set out in sections 8 Quality and 12 Liability.
- e. "Parties" means both HEGGE and the Supplier.

2) Price and price development

- a. All prices are stated in EURO, excluding VAT, but always including all other costs and duties, taxes, levies, excise duties, deductions and the like.
- b. The agreed unit price is fixed for the duration of the Agreement.

3) Payment

- a. Unless otherwise agreed in writing, HEGGE generally pays invoices 60 days after the invoice date or 60 days after receipt of the Goods, whichever is later.
- b. Payment is made by bank transfer to the account number specified by the Supplier.
- c. Invoices must state the Purchase Order number and comply with all statutory requirements and HEGGE's instructions.
- d. Depending on the legislation in the country of sale, use of Peppol is mandatory. Invoices issued between VAT-liable businesses established in Belgium must comply with the statutory electronic invoicing obligation. Invoices that do not meet the statutory requirements are deemed not to have been issued. The contractual payment period starts on the day following the Peppol receipt date, as evidenced by the Peppol audit trail. Each Party is responsible for complying with its own electronic invoicing obligations via the Peppol network and may be held liable for damage suffered by the other Party due to non-compliance with these obligations.
- e. If Peppol is not mandatory, the invoice must be sent to: invoice@hegge.be. Failure to follow this instruction may delay payment, without entitling the Supplier to compensation.

- f. HEGGE reserves the right to set off payments against outstanding amounts owed by the Supplier. HEGGE may deduct documented costs arising from deviations from these Standard Terms from the outstanding payment.
 - g. Full or partial payment does not constitute approval or acceptance of the Goods.
- 4) Packaging
- a. Packaging is considered "non-returnable packaging" and deemed acquired by HEGGE without the Supplier being entitled to claim its value, except for reusable packaging (including EUR pallets and EUR pallet collars). Charges for reusable packaging must be refunded to HEGGE if HEGGE returns it to the Supplier. Non-returnable packaging must consist of recyclable material.
 - b. The Supplier is responsible for correctly and safely packaging the Goods so that they are not damaged during transport.
 - c. Packaging must comply with international transport standards and requirements. This includes protection against damage caused by moisture, shocks or other external influences.
 - d. If HEGGE incurs additional costs due to unsafe or inadequate packaging, the Supplier may be held liable for these costs.
 - e. A pallet may contain no more than one item number, unless otherwise agreed with HEGGE in writing.
 - f. The Supplier must affix to each pallet a securely attached but removable label containing at least the following information:
 - i. HEGGE item number
 - ii. Number of products
 - iii. Dispatch date
 - iv. HEGGE Purchase Order number
- 5) Delivery
- a. Delivery terms
 - i. Goods are delivered on the basis of Incoterms 2020 DDP (Delivered Duty Paid), unless otherwise agreed in writing.
 - b. Delivery deadlines
 - i. The delivery deadline is agreed in the contract or when the Order is placed. The Supplier must deliver within the agreed period. In the event of delayed delivery, the Supplier must pay compensation for delay of 5% of the total contract amount for each week of delay, without prejudice to HEGGE's right to prove and claim greater damage.
 - ii. In the event of natural disasters, war or strikes, the delivery deadline will be revised by mutual agreement. However, HEGGE must immediately be notified in writing of this force majeure situation.
 - iii. All Orders must be delivered during HEGGE's regular working hours (Mon-Fri, 08:00-12:00 / 12:30-16:30), unless otherwise agreed in writing.
 - iv. If the Supplier exceeds the agreed dispatch date by more than ten (10) working days, HEGGE may terminate the Order at any time, with immediate effect and without prior formal notice of default, by written notification. In addition to termination, HEGGE is entitled to compensation for damage caused by the delay.
 - c. Delivery note
 - i. The delivery note must contain at least the following information:
 - 1. HEGGE item number
 - 2. Number of products
 - 3. Delivery date
 - 4. HEGGE Purchase Order number
 - d. Incoming inspection
 - i. On receipt, HEGGE inspects the Goods for clearly visible packaging defects, identity, quantity and transport damage. HEGGE and its customers are exempt from any statutory or other obligation to examine and test the Goods on delivery under applicable law (acceptance inspection), and no further inspection obligations apply beyond those stated above. HEGGE will notify the Supplier of any defects within a reasonable period after discovery.
- 6) Transfer of ownership

- a. Ownership transfers upon (partial) delivery. Only the signature of an authorised HEGGE recipient proves delivery. Deliveries are accepted subject to subsequent inspection.

7) QMS (Quality Management System)

- a. Suppliers producing Goods for the automotive industry must at least hold ISO 9001 certification; or intend to obtain it within 12 months; or be willing to authorise and assist HEGGE in carrying out the necessary audits so that HEGGE can approve them as Suppliers compliant with IATF requirements. Failure to meet the requirements or refusal to cooperate will immediately terminate all cooperation.
- b. If the Supplier holds ISO 9001 certification, it must intend to obtain IATF certification.
- c. The Supplier must operate in an environmentally responsible manner and thereby reduce the environmental impact of its activities (including waste management, risk management, environmental permits and notifications). The Supplier must strive to obtain ISO 14001 certification to improve environmental performance.
- d. All changes to the Supplier's QMS must be communicated to HEGGE immediately.

8) Quality

- a. The Supplier must aim for zero defects. Improving PPM (defective parts per million) must be a continuous objective of the Supplier.
- b. The Supplier is responsible for supplying the Goods and must implement state-of-the-art scientific and technological processes and tools to meet the agreed technical specifications, applicable safety regulations and statutory requirements. The Goods must be suitable and adequate for their intended use.
- c. The Supplier must complete and submit the CQI11 Plating System, CQI12 Coating System and CQI15 Welding System annually, insofar as applicable to the Goods supplied to HEGGE. This applies whether the Supplier performs these activities itself or outsources them.
- d. If a defective product is discovered, a 100% inspection of the production batch concerned must be carried out, and HEGGE will notify the Supplier immediately.
- e. The Supplier is deemed to acknowledge liability for the defective product unless it disputes its responsibility within twenty-four (24) hours of receiving the notification.
- f. HEGGE reserves the right to inspect the Goods on receipt for quality and conformity. If the Goods do not meet the agreed requirements or conform to the samples or specifications, HEGGE may refuse delivery and return the Goods at the Supplier's expense.
- g. If requested by HEGGE, the Supplier must provide the necessary material certificates and inspection reports upon delivery.
- h. If the Goods do not meet the quality standards, the Supplier must take corrective measures at its own expense, which may consist of reworking (repair) or complete replacement delivery.
- i. If reworking or replacement delivery by the Supplier fails, or in particularly urgent circumstances, HEGGE may remedy the defect itself, have a third party remedy it, or have a third party supply the Goods, in each case at the Supplier's expense.
- j. In the event of inadequate reworking or replacement delivery by the Supplier, HEGGE also has the right to terminate the Agreement in the manner described in section 5) b. iv., or to a reduction/refund of the purchase price.
- k. The Supplier must pay all documented costs incurred for replacement delivery to the respective location where the Goods are used. HEGGE will inform the Supplier of this location upon request.
- l. The Supplier must compensate HEGGE for documented damage suffered in connection with the delivery of defective Goods, in particular all costs and expenses charged to HEGGE by its customers or the end users of the product, as well as all costs of any recall, dismantling and reassembly, or sorting of defective products. HEGGE will act in good faith and use its best efforts to minimise these costs.
- m. In the event of complaints, the Supplier must immediately take corrective measures to resolve the problem, ensure timely delivery and prepare an action plan to prevent recurrence.
- n. At HEGGE's request, the Supplier must immediately send a support representative qualified in the relevant field to HEGGE or its customer's plant and inform HEGGE of the expected arrival time and intended purpose.

- o. *The Supplier must have a contact person available at all times who can advise on corrective measures.*
 - p. *To limit damage, ensure continuity and/or supply the production line, HEGGE may, at its own discretion, take immediate action (reworking, sorting, etc.) after prior written notification by HEGGE and unless the Supplier objects within twenty-four (24) hours; the associated costs must be paid and/or reimbursed by the Supplier. HEGGE will act in good faith and use its best efforts to minimise costs.*
 - q. *At HEGGE's request, the Supplier must provide a G8D report. Items one (1) to three (3) must be provided within twenty-four (24) hours. Items four (4) to five (5) must be submitted within ten (10) working days. The closed G8D report must be submitted no later than fifteen (15) working days after the Supplier receives the allegedly defective Goods. If resolution takes longer, the Supplier must enter into a written agreement with HEGGE's quality department.*
 - r. *HEGGE may carry out a process control audit at the Supplier's production facility to verify corrective measures. The technical representative of HEGGE's end customer may accompany HEGGE. If HEGGE reasonably considers it necessary, it may impose a 100% inspection requirement at the Supplier's expense.*
 - s. *HEGGE's minimum charge for handling a complaint is EUR 150.*
- 9) **Warranty**
- a. *The Supplier warrants that, upon handover to HEGGE or, if delivered directly, to HEGGE's customer, the Goods are free from defects, meet the latest state of the art and comply with the relevant laws and regulations, ordinances, EC directives and US legislation (such as Directive 89/392/EEC, the Appliance Safety Act, safety regulations, accident prevention instructions, the prohibition of child labour, responsible sourcing of raw materials in the country, etc.) of the country of origin and the country receiving the Goods. The Supplier must ensure that all the above requirements are applied throughout its supply chain. The Supplier must indemnify and hold HEGGE harmless against any liability arising from a breach of this warranty by the Supplier or its subcontractor.*
 - b. *The Supplier is responsible for assessing the feasibility of the Goods and of production in accordance with the quality requirements and drawings.*
 - c. *In all cases, the Supplier must examine the specifications within a reasonable period and inform HEGGE if the quality requirements are incorrect, unclear or incomplete.*
- 10) **Change management**
- a. *The Supplier must notify HEGGE of changes to the Goods and/or process and/or involving a subcontractor. The Supplier must submit this change request at least twelve (12) weeks before the planned introduction of the change. Under no circumstances may changes be made to the Supplier's Goods without HEGGE's express written consent.*
- 11) **Audits and inspections**
- a. *HEGGE, its employees, designated agents or subcontractors and its customers' representatives may inspect the production facilities of the Supplier and its subcontractors to verify the quality management system and criteria relating to the assignment, subject to reasonable prior notice.*
 - b. *HEGGE may carry out its own audit (system audit, process audit, product audit, etc.) at the Supplier's production site during normal working hours. The Supplier will be notified of a planned audit in good time. If non-compliance is identified, the Supplier undertakes to submit and implement an action plan.*
- 12) **Liability**
- a. *HEGGE is not responsible for damage to end products, damage resulting from defects in the supplied Goods, or consequential damage. Such damage is borne exclusively by the Supplier, which must indemnify HEGGE if necessary. The Supplier undertakes to obtain public liability and post-delivery liability insurance providing more than sufficient cover for such damage. It must present the insurance certificate to HEGGE upon first request.*
 - b. *The Supplier accepts that a liability claim may only be brought on a contractual basis. Any non-contractual liability claim is expressly excluded. The statutory provisions on non-contractual liability do not apply between the Parties. The Supplier accepts that only HEGGE may be held liable, to the exclusion of its agents engaged in performance, directors,*

employees, appointees and all other persons working on its behalf. The statutory provisions on non-contractual liability do not apply between these persons. This provision constitutes a stipulation for the benefit of a third party and, at a minimum, allows these persons to invoke it against the Supplier.

13) Traceability

- a. Deliveries must be identifiable and fully traceable (production characteristics, drawing number, production site, etc.).
- b. On delivery, each production batch must be specifically identified and kept separate from other production batches. Traceability must be ensured at all times. Within twenty-four (24) hours of the first request, the Supplier must provide all necessary information concerning the production batch, including the production site.
- c. The Supplier must document and securely store the results of quality assurance activities. HEGGE is authorised to verify that production and quality assurance procedures and the corresponding documentation are orderly and regular.

14) Applicable law and disputes

- a. These Standard Terms and Agreements are governed exclusively by Belgian law. The Parties expressly agree that the provisions of the Vienna Convention on the International Sale of Goods do not apply to the Agreement.
- b. Any dispute falls within the exclusive jurisdiction of the courts of the place where HEGGE has its registered office.

15) Third-party rights

- a. If the Supplier prepares the drawing, it warrants that the supplied Goods do not infringe intellectual property rights, such as patents, utility models, trademarks or other rights, or business or trade secrets of third parties in the country of destination. In this respect, the Supplier must defend and indemnify HEGGE against all third-party claims, compensate HEGGE and bear all costs and expenses incurred. The Supplier declares that it holds all rights to the Goods and that HEGGE has the right to use, apply and resell them.
- b. The Supplier is not liable for third-party intellectual property rights if the Goods are manufactured exclusively according to drawings and models supplied by HEGGE.
- c. Any advertising by the Supplier referring to HEGGE, its customers or its Goods requires HEGGE's prior written consent. This includes, among other things, press releases, displaying logos or names on a website, demonstrations at trade fairs or exhibitions, producing promotional material and placing advertisements.

16) The Parties will sign a "Mutual Confidentiality and Non-Disclosure Agreement" (NDA).

17) Cancellation

- a. In the event of a bankruptcy petition, liquidation, suspension, serious payment default or attachment of the Supplier's assets, HEGGE may immediately cancel (part of) any Order(s) not yet performed.
- b. Both HEGGE and the Supplier may terminate the contract with a notice period of one (1) calendar year, unless otherwise mutually agreed in writing.
- c. Both HEGGE and the Supplier may terminate the contract with a notice period of two (2) months in the event of a significant change in the shareholding of either Party.

18) Miscellaneous

- a. If any provision of these general terms or the Agreement is wholly or partly unlawful, void or unenforceable for any reason, the validity of the remaining provisions is unaffected. In that case, the Parties will replace the unlawful, void or unenforceable provision with a new provision that reflects the invalid or unenforceable provision as closely as possible.
- b. HEGGE may transfer its rights and obligations under the Agreement to a subcontractor.
- c. HEGGE's failure to exercise its rights at any time does not imply any waiver of those rights. A waiver of rights by HEGGE may only be established by an express written statement.