

# SNF General Conditions of Purchase

## Equipment & Services

September 2021

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### 1 - Purpose

These general conditions of purchase ("GCP") apply to all orders which are placed by SNF SA ("SNF") to its suppliers (hereafter "The Supplier"). These GCP, together with the Orders agreed on by the Supplier shall constitute the Contract.

These GCP exclude any other conditions, including the general conditions of sales of the Supplier.

Any supply of Goods or performance of Services for SNF is subject to a prior valid written order issued by SNF ("the Order").

The Supplier must acknowledge the receipt, without reserves, of the Contract within 7 (seven) calendar days from the date of its issue. Failing this, SNF will be entitled, even if execution has already begun, to cancel the Contract without any indemnity. On receipt of the Order, the Supplier will inform SNF of the name, the business address and the contact number of the person handling the Contract. SNF reserves the right to request the replacement of any such person.

### 2 - Definitions

"Effective Date" means the last signature date of the Contract.

"Goods" means the equipment, products, machines, appliances, parts, components, hardware material, materials, finished products or raw materials, spare parts or otherwise, which the Supplier must supply according to the Contract.

"Services" means the studies, software documentation, or know how, and any other services such as but not limited to civil engineering / assembling / pipe work / cabling / commissioning, onsite operation or supervision, workshop tests, packing before packaging, packaging, loading, and weeding on the transport machine, or transport.

"Supplier" means the party which supplies Goods and/or Services

"Supply" means the Goods, which the Supplier must supply, and the Services which must be carried out under the terms of the Contract.

"Work site" means the end site where the Supply is used.

### 3 - Delivery – Delivery Time

All deliveries must be made by the Supplier, net of all costs, free from any lien, encumbrance or claim, to destination and be accompanied by a delivery note prepared in duplicate stating the number of the Contract, the references and description of the Supply, and the quantities delivered. A packing-list corresponding to the Contract must be transmitted to SNF before the delivery.

The Goods shall be delivered at the place and the date of delivery stated in the Order.

For deliveries made prior to the contractual date, without specific request from SNF, SNF reserves the right to return the Goods at Supplier's costs and risks.

### 4 - Delay

The Supplier hereby undertakes to complete the Supply on or before the contractual date and time set forth in the Contract.

Without prejudice to the Supplier's obligations, SNF must be informed of any event which is likely to modify the date of delivery stated in the Contract within twenty-four hours following such event, even in case of Force Majeure.

### 5 - Penalties for Late Delivery

In case of delay in the delivery of the Supply, the Supplier shall automatically, without any prior notice from SNF, pay penalties amounting to 2% per day up to 10% of the Contract value.

The payment of penalties for late delivery shall not relieve the Supplier from any of its obligations under the Contract.

### 6 - Transfer of title and Risk

Ownership of all or part of the Supply is transferred to SNF as soon as the Supply is identified in the premises of the Supplier and/or its Subcontractor and/or at the Work Site.

Any ownership reservation clause, which directly or indirectly aims to delay the transfer of ownership of the Supply up to the payment of all or part of the price of the Supply, shall be considered null and void.

Care, custody, control and risk of loss or damage of the Supply, remain with the Supplier until SNF takes physical possession and accepts delivery of the Supply, according to the applicable Incoterm.

### 7 - Variations

SNF may, in writing at any time during the performance of the Contract, require any variation in the scope of the Order (hereinafter referred to as "Variation"), the form and scope of which shall be fully defined and specified in a variation order.

Seller shall have the opportunity to comment on any Variation required by SNF and shall provide a quotation setting out Seller's proposals to amend the Contract.

Any adjustments and amendments to the Contract as a result of a Variation shall be based on Contract rates, prices and conditions.

### 8 - Quality

Any Supply not in compliance with the specifications of the Contract will be rejected by SNF and replaced by the Supplier at the latter's own expense, within five days after the notice of refusal from SNF. Failing this, the Goods will be returned to the Supplier at its own costs and risks. The payment of these costs and penalties shall not relieve the Supplier from its obligations under Clause 5.

### 9 - Sub-contracting

The Supplier shall not subcontract all or any portion of the Contract without SNF prior written approval.

The Supplier must submit to SNF for approval the list of its main sub-contractors and the nature of the work so sub-contracted before starting the performance of the Contract. Should SNF not approve some of them, this cannot give rise to any modification of price and/or delay.

The Supplier shall be solely liable towards SNF for the proper execution of the work assigned to its sub-contractors. To that extent the Supplier shall do the needful to ensure that the sub-contractors understand the scope of works required from them.

The orders which the Supplier places with its subcontractors must expressly stipulate that SNF and its customers or their agents will have unrestricted access to workshops of manufacturers or sub-contractors, and the right to photograph the ongoing construction of the Goods or to demand photographs of said Goods, at any time.

### 10 - Documents review

SNF shall have the right to review and acknowledge drawings, specifications, methods, data, unpriced purchase orders and

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subcontracts and any other document related to the Supply. However, such review and acknowledgement shall in no way relieve the Supplier from its responsibilities, obligations or liabilities under the Contract.

### 11 - Price – Invoicing - Payment

Prices of the Supplies are fixed in the respective Order. Prices include all of the costs resulting from the execution of the latter, especially the charges, the subscriptions, the taxes and the rights of any kind, which are directly or indirectly connected to the performance of the Contract. No price increase can be applied without the prior written consent of SNF.

Each invoice must be sent in duplicate within 5 days after delivery of the Goods. The invoice must state the full references of the Order, the Order number, the place of delivery, and the price. Incomplete invoices will be returned unpaid to the Supplier.

Unless stated in the Order, SNF shall pay the price at sixty (60) days after delivery of compliant Supply together with all documentations required under the Contract and the subsequent invoice.

### 12 - Warranty

Supplier warrants to SNF that the Supply fully complies with the technical specifications set forth in the relevant Order.

Supplier warrants to SNF that the Supply shall comply with all applicable regulations or legal requirements, and is fit for its intended purpose.

The period of the above stated warranties shall be two years from the delivery date of the Supply or, in case of multiple deliveries, from the day of the last delivery.

Supplier also warrants that the Supply is free from any hidden defects, is free of any lien and encumbrance,

Except where the Supply is produced according to the SNF's instructions and directions, the Supplier also warrants that the manufacture, sale or use of the Supply in the form and condition in which they are delivered to SNF, shall not infringe any patent, trademark, trade secret or intellectual property right.

### 13 - Liability

Supplier agrees to indemnify and hold SNF, its subsidiaries and affiliates, officers, directors, employees and agents harmless from and against any and all losses, liabilities, damages, actions or claims (including, without limitation, amounts paid in settlement and reasonable costs of investigation and reasonable attorneys' fees and disbursements) arising from (i) a breach of any of the representations, warranties or obligations made or undertaken by the Supplier in the Contract or (ii) the failure of the Supply to comply with the Contract or (iii) loss, injury or any damage incurred by third parties;

### 14 - Intellectual property rights

All information and know-how including drawings, specifications and other data provided by SNF in connection with the Contract shall remain at all times SNF's property and may be used by the Supplier only for the purpose of performing the Contract. The Supplier shall keep SNF's information and know-how confidential and shall return them to SNF upon request.

The Supplier shall indemnify SNF (except in respect of designs provided by SNF) against all claims arising from any infringement of any third party's intellectual property rights arising from the use or

manufacture of the Supply, including without limitation, trade secrets, trademarks and copyrights.

The Supplier shall neither quote nor supply parts made with SNF's tool or materials, or SNF's patterns, drawings, specifications or designs, to any third party without SNF's prior written consent.

Any inventions, patents, copyrights, design rights and other intellectual property rights arising from the execution of the Contract shall become the property of SNF and Supplier shall not disclose the same to any third party. The Supplier shall cooperate and execute any documents as may be necessary to assign such intellectual property to SNF.

Any intellectual property belonging to the Supplier that would be necessary for the full enjoyment of the Supply, will be automatically licensed to SNF, which license will be non-exclusive, royalty free, worldwide, and transferable to anyone who would need it for the full enjoyment of the Supplies.

### 15 - Confidentiality

The Supplier undertakes to treat as confidential all the technical, financial and commercial information provided by SNF in connection with the Supply or the Contract.

### 16 - Force Majeure

The execution of the Contract and the obligations thereof, shall be suspended by any event of force majeure as defined by the article 1218 of the French Civil Code, which provides for an event independent of the will of the Supplier, making impossible the Supply and the delivery of the Supply.

The Supplier must immediately inform SNF when it claims force majeure and provide to SNF the proof of the claimed event of force majeure within seven calendar days following the occurrence of the event relied upon. Failing this, the Supplier will be deemed to have accepted to bear all of the consequences of the said event of force majeure.

If such a case of force majeure is lasting for more than 30 days, then SNF shall be entitled to terminate the Contract.

### 17 - Hardship

The Parties are aware of the fact that this Agreement does constitute a fair and equitable basis. In the event that during the term of the Contract the general situation and/or the data on which the Contract is based are substantially changed so that either party suffers severe and unforeseeable hardship, they shall consult each other and show mutual understanding with a view to making such adjustment as would appear to be necessary and such revisions as would be justified by circumstances which could not reasonably be foreseen, as of the date on which the Contract was entered into, in order to restore the equitable balance of this Contract.

The party which considers that the condition set forth in the here above paragraph are met, shall give notice thereof to the other party by registered letter, return receipt requested which will specify the date and nature of the events which caused the alleged change, an evaluation of the hardship which is or will be suffered and the proposal to remedy the alleged change. Any notice given more than 12 (twelve) months after the date of occurrence of the event that caused the change alleged by the party giving the notice shall be of no effect.

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### 18 - Insurance

The Supplier shall subscribe and maintain at its own expense the following insurance:

- General civil liability insurance covering bodily injury, property damages and consequential losses offering a minimum coverage of Euros 10 million per claim. This insurance shall cover Product Liability, Employer's Liability and Professional Liability;
- The Supplier shall maintain a Property Insurance policy covering the Goods under care, custody and control of the Supplier, for their replacement value
- All mandatorily required insurance according to applicable laws.

The Supplier shall provide SNF with all related insurance certificates.

None of the guarantee limits that may be indicated in the above policies shall be considered as limitations of the Supplier's liability. It is the Supplier's responsibility to take out any other insurance, which it considers necessary to fulfill the Purchase Contract.

### 19 - Hazardous Goods

If any of the goods to be supplied under the contract contain any hazardous substances or require any special precautions to be taken to ensure safety in handling, transport, storage, or use, the Supplier shall prior to their delivery provide SNF with written notice about the nature of those substances and the precautions to be taken and shall ensure that before dispatch appropriate instructions and warnings are clearly and prominently marked on the goods or securely attached to them and to any containers into which they are packed.

In particular (but without limitation) the Supplier shall provide in writing SNF with all such data, instructions and warnings as are required to comply with applicable legislation relating to health and safety and shall indemnify SNF against any and all liabilities, claims and expenses which may arise from the Supplier's failure to do so.

### 20 - Safeguard

In the event of Supplier, for any reason whatsoever, being late for more than thirty (30) days in beginning or completing the Supply as per the Contract schedule, Supplier shall then transfer to SNF all of the execution documents (drawings, schematics, bills of materials, calculation sheets, contracts placed with sub-suppliers, etc ...) related to the Contract and necessary for the proper completion of the Supply.

In such a case, Supplier shall transfer to SNF the Supply whether completed or not, so as to allow SNF to resume and complete the work, without Supplier having the right to claim for any compensation other than the price of Supply so transferred.

### 21 - Key Personnel

SNF may in its sole discretion notify the Supplier to remove from the performance of the Supply any employee of the Supplier. This person shall be replaced, at no additional cost to SNF by a similar and suitably qualified person acceptable to SNF.

### 22 - Termination - Suspension

SNF may terminate the contract without any compensation for the Supplier if:

- An event of Force Majeure does or is likely to delay the delivery of the Supply by more than thirty days (30), or

- The Supplier is in breach of its obligations and does not remedy such breach within thirty (30) days from notice to do so, or
- Actual or anticipated delay in delivery is over thirty (30) days, or
- The Supplier becomes bankrupt or insolvent or (being a Company) makes an arrangement with the creditors or has the receiver or administrator appointed or commences to be wound up.
- The control of the Supplier is materially altered whether by a change in the ownership of the shares or otherwise.

SNF may at any time terminate or suspend the Contract in its sole discretion. In such event, and provided that the Supplier has complied with all of its obligations under the contract, SNF shall pay to the Supplier for the work already performed before the termination or suspension, provided however that the SNF end customer to which the Supply is to be finally supplied indemnifies SNF for the same. In no event should this compensation exceed the Contract price. The termination or the suspension shall be effective from the date of the notice to do so issued by SNF.

### 23 - Personal data

Supplier undertakes to inform his employees that their personal data will be collected and processed by SNF under these T&C. The employees' data will be used by SNF, its affiliates and its own service providers for the purposes of managing orders and monitoring the relationships with the Supplier. The data involved by this processing are such as the name, surname, position and contact information of Supplier's employees. These personal data will be kept for the duration of the Contract and will then be archived in accordance with applicable regulation. Only SNF's duly authorized employees will have access to personal data. Such data may be transferred to third parties for the limited purpose of providing the services contemplated by the Contract. According to the applicable law, Supplier's employees have the right to access their personal data, to have them rectified, to request their deletion and to object to their processing for reasons related to their personal situation, or to request the limitation of the processing. They can exercise these rights by addressing their request to [ethics@snf.fr](mailto:ethics@snf.fr). Where appropriate, Supplier's employees also have the right to file a claim in relation with the use of their personal data by contacting the relevant data protection authority.

### 24 - Ethics - Sanction

The Supplier undertakes to comply with the SNF Code of Ethics, which can be found on the [www.snf.com](http://www.snf.com) website, as well as with any applicable law or regulation concerning Human Rights, the protection of the environment, or fight against corruption.

Similarly, it undertakes to comply with any applicable law or regulation imposing economic or financial sanctions aimed at restricting or prohibiting the commercial and / or financial relations of certain countries or persons, imposed in particular by France, the European Union, the United Nations, or the United States of America. In the event of violation of this article by the customer, the latter will hold harmless from any liability SNF, its managers and its employees, and will indemnify them for any resulting damage.

### 25 - Applicable law - Jurisdiction

Any disputes arising from the validity, the execution or the interpretation of the Contract shall be subject to the exclusive jurisdiction of the Commercial Court of Saint Etienne, France. The applicable law shall be the French law, excluding its conflict of laws regulations. The application of the United Nations Convention on contracts for the international sales of goods shall be excluded.

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### **26 - General provisions**

The Orders, these terms and conditions and any other document that would be part of the Contract, represent the entire agreement between the Supplier and SNF, thus supersedes and replaces all other prior written or oral agreements between the parties pertaining to the same subject.

In case of inconsistency between the Order, these General Conditions of Purchase and any annexes/appendices thereof, the Order would prevail over the General Conditions of Purchase which would prevail over the annexes/appendices.

If any provision of the Contract becomes illegal, invalid or unenforceable, such provision shall be deemed to be separate from the Contract and the remaining of the Contract shall continue to be in full force and effect.

The language of the Contract shall be English which, in case of discrepancies, shall prevail over any other language that may be used in the Contract.