

GENERAL TERMS AND CONDITIONS OF PURCHASE – 2022

1. GENERAL

1.1 In these terms and conditions (“Terms”) “Buyer” means the Uponor Group company that has issued a purchase order or signed an agreement through its authorised representative (“Order”) and “Supplier” means the entity to which the Order is addressed. The Terms shall be applied to all deliveries of products, materials (“Goods”) to Buyer. Signing an agreement or acceptance or execution of an Order by Supplier constitutes a contract. (“Contract”) Uponor’s General Terms and Conditions for Purchasing Services available at <https://www.uponorgroup.com/en-en/legal-information/purchase-conditions-po> apply to purchase of services unless otherwise agreed.

1.2 The Contract is concluded exclusively on the terms and conditions stated in the signed written agreement, Order and these Terms. Supplier’s general terms and conditions are expressly excluded, whether referred to in Supplier’s acceptance of the Order or elsewhere, appended to the order confirmation or posted on a website.

2. CHANGE OR CANCELLATION OF THE ORDER

2.1 By providing Supplier a written notice no later than seven (7) days before the delivery, Buyer may amend or change the Order or cancel the Order. If such order amendment would result in a significant change in price or delivery date, Supplier must notify Buyer in writing thereof without delay, calculating the new price and delivery date. The order amendment shall take effect, if Buyer accepts in writing the new price and delivery date within ten (10) days from Supplier’s notification. The amended Order is subject to these Terms.

3. PRICE

The price for the Goods shall be the price stated in the specific written agreement between the parties, or if none, in the Order, or if none, in Supplier’s quotation. The price shall be fixed for the duration of the Contract. The price shall include all related costs, fees, charges or taxes including VAT, where applicable.

4. WARRANTY

4.1 Supplier warrants that the Goods shall in every respect comply with Contract, these Terms, applicable laws, regulations, any description, samples, drawings, plans and specifications applicable to Goods and shall be free from defects in design, materials and workmanship, and the Goods shall be of satisfactory quality and fit and functioning for their particular purpose communicated to Supplier during the legal liability period applicable to the Goods from the delivery of the Goods to Buyer’s customers. Supplier further warrants that neither the Goods nor Buyer’s use of them will infringe any patent, registered design, trademark, trade name, copyright or other third-party intellectual property rights (“Third Party IP Right”).

4.2 In addition to the Goods being non-compliant with Section 4.1, the Goods shall also be deemed defective if the Goods deteriorate or any characteristic of the Goods change after the risk has passed for reasons other than reasonable wear and tear or Buyer’s failure to comply with storing instructions issued by Supplier to Buyer prior to the delivery. This condition shall not apply if such deterioration is due to a third party (other than the Supplier’s sub-contractor or agent) or Force Majeure.

5. PACKAGE

5.1 The Goods shall be properly packed, secured and marked in accordance with applicable regulations

related to the Goods and transportation or Buyer’s instructions if such are issued and despatched by Supplier at its expense so that they arrive in good condition and unharmed at the time and place of delivery specified in the Contract. The price includes packing and the package materials. Unless otherwise stated in the Order, Buyer shall have no obligation to return packages or package materials.

6. DELIVERY

6.1 Time is of essence in all deliveries under the Contract and the agreed delivery time shall be binding on the Supplier. Unless otherwise agreed in writing, the time of delivery is thirty (30) days from the date the Contract was concluded, and the term of delivery is DDP, Buyer’s location (the latest version of the ICC Incoterms). Supplier shall inform Buyer immediately of any likely delay and the new delivery date.

6.2 If delivery or a part of it is delayed for reason other than Force Majeure or reason on part of Buyer, Buyer shall have the right to terminate the Contract and/or cancel the Order, in whole or in part. If Supplier is in delay, Buyer is always entitled to purchase nearest equivalent goods from elsewhere and Supplier shall compensate Buyer the difference between the price in the Contract or these Terms and the price of the goods acquired from elsewhere. Supplier shall be liable for costs of returning the Goods. In addition to the above, Supplier shall on demand pay to Buyer liquidated damages in the amount of two (2) per cent of the price of the Goods for each beginning day of delay, however not exceeding twenty (20) per cent of the price of the Goods. Buyer shall be entitled to deduct the sum of liquidated damages from Supplier’s invoice. In addition to the amount of liquidated damages, Buyer shall be entitled to full compensation for damages incurred due to the delay. The foregoing does not limit Buyer’s rights or remedies under the applicable law.

6.3 “Force Majeure” means an unforeseeable event that is beyond the control of the affected party, makes it impossible for party to perform its obligations under the Contract either temporarily or permanently, and is one of the following: fire, flood, war, mobilization, embargo, blockade, riot, revolt, government restriction or insurrection.

7. COMPLIANCE AND QUALITY CONTROL

7.1 Supplier will maintain an inspection and quality system acceptable to Buyer and in reliance upon such system, Buyer may reduce its incoming inspection procedures. In any case, Buyer has the right but no obligation to inspect the Goods. Supplier agrees to maintain authenticated inspection and test results for a period of ten (10) years after the expiration of the Contract. Upon request, Supplier shall identify in writing the country of origin of the Goods.

7.2 Subject to Buyer’s reasonable prior request, Supplier shall permit Buyer to enter Supplier’s and its sub-suppliers’ premises to ensure compliance with the Contract.

7.3 The Supplier is aware and shall comply with the requirements of any national and international export, export control, import, customs, and trade law (including those adopted by the United Nations, the United States (“US”), the European Union (“EU”), and the United Kingdom (“UK”). (“Trade Regulations”) To ensure compliance:

a) The Supplier shall provide to Uponor without delay in writing all information and data required by Uponor to comply with Trade Regulations.

b) When applicable, the Supplier must provide the following information concerning every individual Product, at the latest before the delivery of the Products:

- i. applicable export list numbers (including those in dual-use items list defined by the EU regulation (No 428/2009) on setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items
- ii. if the Products are subject to U.S. Export Administration Regulations, all applicable export control classification numbers of the Commerce Control List defined by the U.S. Department of Commerce,
- iii. Statistical commodity codes according to the commodity classification for foreign trade statistics and the Harmonized System codes developed by the World Customs Organization,
- iv. The country of origin of the Products (for non-preferential origin), and
- v. If Uponor demands, Supplier’s declaration stating the preferential origin (for Suppliers based in EU) or certificates confirming preference (for Suppliers based outside EU).

c) In case of changes to the Products including the origin and characteristics or change of any applicable national or international law or regulation, the Supplier shall update the information it has provided to Uponor without delay and provide the update to Uponor at the latest before the delivery of the Products.

d) The Supplier represents and warrants that it is not (i) a person or entity listed as subject to asset freezes, export restrictions, or similar measures under Trade Regulations, including the Consolidated list of persons, groups and entities subject to EU financial sanctions, the US Specially Designated Nationals List (SDN List), the US Entity List, and the HMT Consolidation List of Financial Sanctions Targets in the UK or a person or (ii) entity directly or indirectly at least 50% owned or controlled by, or acting on behalf of, one or more persons or entities described in section (i). (“Sanctioned Person”). Supplier shall immediately notify Uponor in writing if relevant facts or regulations change so that it would become Sanctioned Person.

e) The Supplier shall not, in any circumstances, supply to Uponor Products manufactured by or procured from (i) a Sanctioned Person, or (ii) any country or region that is subject to comprehensive sanctions or embargoes imposed by the United Nations, the United Kingdom, United States, or the European Union.

f) Uponor may terminate this FPA with immediate effect, without any liability for damages caused, if (i) Trade Regulations are amended, or relevant circumstances change, due to which the Buyer will no longer be able to perform without violating Trade Regulations or becoming exposed to the risk of becoming a Sanctioned Person, or (ii) the Seller fails to comply with this section 7.3.

7.6 The delivery shall include all necessary instructions for the use, maintenance and installation. Supplier warrants that the Goods are manufactured, packed and sold in accordance with applicable laws and administrative regulations. Supplier shall strictly follow Uponor Supplier Code of Conduct available at www.uponor-group.com, a breach of which is a material breach of the Contract.

8. DEFECTIVE GOODS

8.1 If Buyer determines that the Goods do not conform to the Contract, these Terms or are non-compliant with the warranty in Section 4, Buyer shall have the right to reject the Goods, in whole or in part, regardless of whether the Goods have been paid for. Such defective Goods shall constitute a material breach of Contract, which shall entitle Buyer to terminate the Contract, without prejudice to any other right or remedy of Buyer under Contract, these Terms or applicable law. Buyer

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may, but has no obligation to, provide Supplier an opportunity determined by the Buyer to replace the defective Goods at Supplier's sole cost and expense. Storage and other costs related to the defective Goods shall be for the sole account of Supplier. Risk in the defective Goods shall always remain with Supplier.

8.2 Buyer shall also be entitled to purchase the nearest equivalent goods elsewhere at Supplier's sole cost and expense. Upon request, Supplier shall promptly return any payments made for the defective Goods under the Contract without any retention or offset whatsoever.

9. THIRD PARTY IP RIGHT INDEMNITY

Supplier shall defend, indemnify and hold Buyer harmless from and against any and all liability, damage and loss (including reasonable legal fees and costs) incurred by Buyer as a result of any claim, demand or action by any third party against Buyer arising from any actual or alleged infringement of any Third-Party IP Rights pertaining to Goods supplied by Supplier to Buyer. At Buyer's sole election, Supplier shall promptly either to: (a) procure for Buyer the right to continue selling and/or using the affected Goods; (b) replace the affected Goods with non-infringing Goods; (c) modify the affected Goods so that those become non-infringing. The provisions of this Section shall not apply to any claim for infringement resulting solely from Supplier's compliance with Buyer's specifications.

10. RISK AND PROPERTY

Title to the Goods and risk of loss shall pass to Buyer upon the delivery. If Buyer pays the Goods prior to delivery, the title to the Goods shall pass at the moment of the payment. In any event, no retention of title or other security is applicable to the Goods.

11. PAYMENT

The payment term is sixty (60) days from the latter of (a) delivery in full of the Goods in conformity with the Contract, or (b) receipt of the accepted invoice by the Buyer. Unless otherwise agreed, the invoice shall become payable only after the whole delivery has taken place. If the delivery is not in conformity with the Contract or these Terms, Buyer is entitled to postpone payment until Supplier has provided full remedy or the matter is otherwise finally settled. Payment of the Goods shall not mean acceptance of the Goods and does not release the Supplier from its obligations under the Contract or these Terms. Buyer may offset from the relevant invoice any amounts owed by the Supplier.

12. MANUFACTURING MATERIALS AND TOOLS

If Buyer provides Supplier with any tools, materials, drawings, specifications and other equipment or data ("Materials") to be used by Supplier solely for the completion of the Contract, such Materials shall always remain Buyer's property and shall be returned at Buyer's request in good condition, normal wear and tear accepted. Materials shall be at Supplier's risk and insured by Supplier at its own expense against the risk of loss, theft or damage, until returned to Buyer. Supplier shall ensure that the Materials are fit for the intended purpose. The Buyer directs the use, handling or destruction of surplus and scrap Materials.

13. INSURANCE

Supplier shall at its expense maintain liability insurance sufficient to satisfy any claim or liability arising out of manufacture, sale or delivery of the Goods or this Contract.

14. CONFIDENTIALITY

Supplier undertakes to keep secret all confidential information and business secrets disclosed by Buyer as well as price paid by the Buyer for the Goods and not to use the same for any other purpose than for the completion of the Contract. This undertaking survives the termination of the Contract.

15. MISCELLANEOUS

No waiver by Buyer of any breach of the Contract by Supplier shall be considered as a waiver of any subsequent breach of the same or another provision. If any provision of the Contract is held to be invalid or unenforceable, the validity of the other provisions of the Contract shall not be affected. Supplier shall not assign, transfer or subcontract the Contract without prior written consent of Buyer.

16. GOVERNING LAW AND DISPUTES

16.1 The Contract shall be governed by and construed in accordance with the laws of Finland excluding its choice of law provisions as well as excluding United Nations Convention on Contracts for the International Sale of Goods.

16.2 Any dispute, controversy or claim arising out of or relating to the Contract and these Terms, or the breach, termination or validity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce. The number of arbitrators shall be one (1). The seat of arbitration shall be Helsinki, Finland. The language of the arbitration shall be English.

16.3 Without prejudice to Section 16.2 above, the Buyer reserves the right, at its sole discretion, to sue the Supplier at the Supplier's general place of jurisdiction.