

General Terms and Conditions of Purchase (GTCP) of Hansgrohe SE

- for exclusive use in business transactions between entrepreneurs - Valid from: 08/2024

I. General

1. In addition to the individual contractual agreements, these GTCP apply exclusively to all business transactions with suppliers or other contractors (hereinafter jointly referred to as "**Supplier**") of Hansgrohe SE (hereinafter referred to as "**HG**" or "**we**" or "**us**"). In the case of continuing business relationships, they also apply to all future supply relationships until receipt of any new terms and conditions of purchase from HG.
2. Deviating or supplementary general terms and conditions (GTC) shall not become part of the contract either by the Supplier's order confirmation or by our unconditional acceptance or payment of services. Even if we refer to a letter that contains or refers to the GTC of the Supplier or a third party, this does not constitute agreement with the validity of those GTC.
3. All agreements relating to the conclusion of the contract must be documented in writing; it is assumed that the parties have not made any verbal agreements. Commitments by auxiliary persons of HG that deviate from our written declarations of intent or these GTCP require confirmation from HG to be effective.

II. Offer, offer documents

1. Insofar as the Supplier's offers deviate from our enquiry, the Supplier must expressly report any deviations in his offer.
2. Unless otherwise agreed, the Supplier shall be bound by its offer for at least three (3) months.
3. Prices shall be quoted in euros plus any VAT, DDU (for deliveries to recipients named by HG within the EEA) or DDP (for deliveries to recipients named by HG outside the EEA), including packaging and insurance.
4. We reserve all property rights, copyrights and other rights to documents that we provide to the Supplier for the submission of an offer. They are to be returned to us immediately and free of charge if an offer is not submitted or after the order has been processed; in this respect, the provision on business secrets in Section XIV applies additionally.

III. Conclusion of contract

1. Our offers (orders) must be accepted within seven (7) days of receipt and by means of a written order confirmation with binding information on delivery time, order number, order reference, order date and prices. Our orders are always placed in text form (this includes fax, e-mail or the HG Supplier portal). Insofar as framework orders exist that require delivery call-offs, our contractual delivery call-offs shall become binding if the Supplier does not object in writing immediately after receipt.
2. If a delivery date has not yet been bindingly agreed, the Supplier shall refrain from taking any cost-incurring measures unless we have agreed to such measures. If a delivery date has not yet been bindingly agreed, but compliance with a delivery date requested by us requires measures to be taken, the Supplier must inform us of this in writing.
3. Deviations in quantity and quality from the text and content of our order, including changes to drawings and form, shall require our consent.
4. We are entitled, in consultation with the Supplier, to demand changes to the design, delivery quantity and delivery time. The effects of the change are to be regulated appropriately and by mutual agreement, taking into account the interests of the Supplier. If no agreement can be reached, we shall be entitled to terminate the contract; in this case, the Supplier shall receive reasonable compensation for expenses incurred.
5. The Supplier is not authorised to make changes to the design, execution, manufacturing process or other characteristics of the goods compared to earlier, similar services without consultation with us, even if these characteristics are not specified in the service description. We shall only refuse consent to such changes for objective reasons.

IV. Prices, packaging costs, invoice, payment, prohibition of assignment, ability to deliver

1. The price stated in the order is the maximum price. It may be undercut, but not exceeded. Unless otherwise agreed, the price includes "free delivery"

to the shipping address specified by us, including packaging and transport insurance. If, in exceptional cases, something else has been agreed, packaging and transport shall be charged at cost price. If the packaging is returned, we shall be credited with the appropriate current value of the packaging. If the packaging material is fully reusable for the Supplier, the appropriate current value shall be at least two thirds of the invoice value of the packaging.

2. Invoices shall be sent to us separately in duplicate for each order or each partial delivery or partial service and may not be enclosed with the deliveries. The invoices must contain the number, reference and date of the order. Value added tax must be shown separately.
3. Payment shall be made after complete performance (or permissible partial performance) and after receipt of the proper invoice. Payment shall be made with a 3% discount within twenty (20) days of the end of the monthly invoice period following the service and receipt of the proper invoice. In the event of default in payment, the Supplier's claim shall bear interest at 5%-points above the base rate; the assertion of higher damages shall not be excluded.
4. Claims of the Supplier against us may only be assigned to third parties with our prior consent. Payments shall only be made to the Supplier.
5. If the Supplier's creditworthiness or ability to deliver deteriorates to an extent that jeopardises the fulfilment of the contract, or if the Supplier permanently suspends its services, we shall be entitled to terminate or withdraw from contracts in whole or in part without notice.
6. We shall be entitled to rights of set-off and retention to the extent permitted by law. The Supplier shall only be entitled to a right of set-off or retention for legally established or undisputed counterclaims.

V. Delivery dates and deadlines, delay

1. Agreed delivery dates and deadlines in orders and delivery call-offs are binding. The receipt of the delivery at our works shall be decisive for compliance with deadlines and dates. Partial deliveries are only permitted by agreement with us. The Supplier must immediately inform our responsible purchasing department in writing of any difficulties that prevent him from delivering on time and in the specified quality. In the event of delayed delivery, we are entitled to the statutory claims. In the event of a right of withdrawal or cancellation to which we are entitled, we are entitled to limit the withdrawal or cancellation to partial performance. We are entitled to terminate continuing obligations if the Supplier does not remedy the delay within a reasonable period of time despite our request or is repeatedly in default with essential services.
2. Claims for damages by the Supplier due to delayed receipt or acceptance shall be limited to the typically expected damage in the event of slight negligence on our part.
3. If the Supplier is in default, we shall be entitled, after issuing a reminder, to demand a contractual penalty of 0.5% per completed calendar week, but no more than 5% of the respective net order value affected by the default. The contractual penalty paid will be offset against any claim for damages by HG.
4. We are not obliged to accept or take delivery of the goods before the delivery date.

VI. Delivery, dispatch, transport, packaging and transfer of risk

1. Delivery shall be made to the shipping address agreed in the order, which is also the place of fulfilment (obligation to be performed at the place of delivery).
2. Delivery notes and packing slips must be enclosed with each consignment. These documents must contain your and our order number, quantity and unit of measure, gross, net and, if applicable, calculated weight, your and our article description with article numbers, remaining quantity in the case of permissible partial deliveries. The Supplier shall ensure that the goods can be assigned to the delivery notes and invoices so that the goods can

be traced back to the delivery and batch. In the case of freight shipments, a dispatch note must be sent to us separately on the day of dispatch.

3. Delays, additional costs and damage caused by the Supplier's failure to comply with our shipping instructions specified here or otherwise agreed shall be borne by the Supplier, unless the Supplier has acted without fault.
4. The Supplier must pack the delivery as agreed. Unless otherwise agreed, the goods shall be packed by the Supplier in the customary commercial manner. In any case, the Supplier must ensure that the goods are protected from damage. If the packaging material is reusable for the Supplier, the Supplier must make appropriate notes on the delivery for the return of packaging material. In this case, we shall return the packaging material to the Supplier at our expense.
5. The Supplier must take out adequate transport insurance for its deliveries. If transport costs are borne by us in exceptional cases, the Supplier must always choose the cheapest mode of dispatch, provided that transport safety is ensured.
6. The risk of accidental loss and accidental deterioration is transferred to HG upon delivery at the place of fulfilment or upon acceptance by us. Until dispatch, the goods are to be stored for us free of charge and at the Supplier's risk.
7. If the Supplier undertakes the shipment itself, it shall bear the risk of accidental loss and accidental deterioration of the goods for the entire duration of the transport. If HG undertakes part of the transport, the risk of accidental loss and accidental deterioration of the goods shall pass from the Supplier to HG at the time when the Supplier places the goods on board the ship designated by HG, at the loading point, if any, designated by HG at the named port of shipment. From this point in time, HG shall bear the risk of accidental loss and accidental deterioration with the exception of the period from which the goods are unloaded from the means of transport for storage in the consignment warehouse in Germany. As long as the goods are in the consignment warehouse, the Supplier shall again bear the risk of accidental loss and accidental deterioration.

VII. Force Majeure

War, civil war, epidemics, operational disruptions and export or trade restrictions due to a change in political circumstances as well as other events which are outside the sphere of influence of a party and which make it impossible or economically unreasonable for us to fulfil the contract shall be deemed to be force majeure and shall release us from the obligation to accept or off-take the goods for the duration of their existence. The parties undertake to adapt the contract to the changed contractual circumstances in good faith as far as possible and economically reasonable. If the force majeure is of not insignificant duration, i.e. lasts for at least four (4) weeks without interruption, we shall be entitled to withdraw from or cancel the contract if it results in a significant reduction in our requirements. This is particularly the case if our requirements are reduced by more than 30 %.

VIII. Quality management and assurance

1. The Supplier shall comply with the recognised rules of technology and the agreed (technical) data for the deliveries, in particular quality regulations as well as any applicable protective laws and other safety regulations. The Supplier is required to maintain a quality management system ("QMS") that fulfils the requirements of the international standard ISO 9001, with the obligation to set a zero-defect target and to continuously improve its performance.
2. The Supplier shall ensure that its subcontractors maintain a comparable QMS that ensures the defect-free quality of its purchased parts and/or externally processed parts. Details are to be regulated in quality assurance agreements (QAA) as well as individual agreements on quality in written form between the parties.

IX. Labelling, REACH and other regulations

1. The Supplier is responsible for ensuring that the goods have CE labelling and are accompanied by a declaration of conformity if this is prescribed for the goods in Europe. The Supplier shall also carry out all other labelling required by German and EU law on the goods and their components as well as on the packaging and means of transport.
2. The Supplier shall also ensure compliance with EU regulations or other legal requirements and shall also provide us with comprehensive support in this respect (e.g. EAN, RoHS, REACH, CLP, RED, Ecodesign, WEEE, product safety, Market Surveillance Regulation, conflict raw materials, money laun-

dering, transparency, packaging law, etc.). The Supplier also undertakes to comply with and observe the HG works standards and to provide HG with all relevant information.

X. Defects, breach of duty, obligation to give notice of defects, limitation period, recourse

1. The Supplier must deliver the goods to us free of defects. A defect shall be deemed to exist in particular if the delivered goods do not comply with the provisions stipulated in the contract or, unless otherwise agreed, are not suitable for the normal use (including operation) of such goods. The statutory provisions on defects shall apply unless otherwise agreed below.
2. In the absence of agreements in quality assurance agreements ("QAA"), the goods must be inspected by us immediately for obvious defects, in particular by means of a quality control by random sampling. A notification of defects by us shall be deemed timely if it is sent within a period of eight (8) days, calculated from receipt of delivery or, in the case of hidden defects, from their discovery by us or a third party.
3. Upon receipt of our notice of defects pursuant to preceding Para. 2, the Supplier shall be obliged to immediately submit an appropriately detailed written statement analysing the defect, specifying the causes and proposing remedial measures (also with a view to avoiding future defects).
4. The Supplier is obliged to bear all expenses necessary for the purpose of remedying the defect, replacement delivery, in particular transport, travel, labour and material costs.
5. The Supplier is liable for expenses incurred and damages caused by defects and other breaches of duty. In the event of imminent danger or to avert acute danger, we are entitled to rectify the defect ourselves or have it rectified by a third party at the Supplier's expense.
6. Our claims for material defects and defects of title shall expire three (3) years after delivery or acceptance.
7. Before we recognise or fulfil a claim for defects asserted by our contractual partner, we shall inform the Supplier of the asserted claim and request a statement within a reasonable period of time. If the statement is not made within the reasonable period of time or if no amicable solution is reached, the claim for defects actually granted by us shall be deemed to be owed to our contractual partner, unless the Supplier proves the contrary.
8. From receipt of our notification of a defect by the Supplier, the limitation period with regard to this defect shall be suspended until completion of the subsequent fulfilment, unless the Supplier rejects the defect immediately. In the event of replacement delivery and rectification of defects, the warranty period for replaced and repaired parts shall begin anew, unless we had to assume from the Supplier's behaviour that the Supplier did not consider himself obliged to take the measure, but only carried out the replacement delivery or rectification of defects as a gesture of goodwill or for similar reasons.
9. If similar defects occur in more than 5% of the goods delivered by the Supplier in a six-month period, the entire goods from this production period shall be deemed to have this defect (serial defect), unless the Supplier proves the contrary.
10. The Supplier is obliged to pass on these aforementioned regulations on claims for defects to its suppliers accordingly and must, at our request, assign claims for defects to us on account of fulfilment.
11. The Supplier must submit the limitation regulations in accordance with the above Paras. 6 to 10 to his business liability insurer for inclusion in his business and product liability insurance policy.

XI. Product liability, indemnification, insurance cover

1. The Supplier is responsible for all claims asserted by third parties on the basis of the German Product Liability Act (ProdHaftG), insofar as these are attributable to a defective good supplied by him and is obliged to indemnify us against the resulting liability. The Supplier shall agree with its insurer to co-insure this indemnification within the scope of its business liability insurance.
2. Section X. Para. 9 shall apply accordingly.
3. The Supplier is obliged to reimburse our expenses for warning or recall measures which are necessary due to defects in goods delivered by the Supplier. We shall inform the Supplier of the content and scope of warning or recall measures - as far as possible and reasonable - and give him the opportunity to comment within a reasonable period of time. If the statement is not made within the reasonable period and no mutually agreed solution is reached, the warning or recall action carried out by us shall be deemed

to be necessary and caused by the defect, unless the Supplier proves the contrary. Further legal claims remain unaffected.

XII. Insurance cover

1. The Supplier is obliged to maintain insurance with the following sums insured at his own expense. The insurance cover must also extend to damage occurring abroad, whereby exclusions for damage occurring in the USA and Canada are permissible, provided that the Supplier has notified us of these exclusions in writing in advance:
 - (i) Product recall cost insurance, sum insured EUR 5 million;
 - (ii) Public liability insurance, insured EUR 5 million for personal injury and property damage;
 - (iii) Extended product liability insurance, insured EUR 5 million lump sum for personal injury and property damage.
2. Upon request, the Supplier shall provide us with a meaningful confirmation from the insurer regarding the scope of the insurance cover and the payment of the insurance premiums (certificate of insurance). The sums insured do not constitute a limitation of liability in favour of the Supplier.
3. If the Supplier does not prove to us the existence of insurance cover in accordance with the preceding Paras. 1 and 2, we shall be entitled to terminate the contracts (in whole or in part) without notice.

XIII. Provision of tools, models, materials

1. Insofar as the order includes the assumption of tool or model costs, the Supplier hereby assigns to us tools and models manufactured or procured by him which have been paid for in full by us. We shall acquire co-ownership of tools and models partially paid for by us in the ratio of our respective payment to the value of the item. Tools or models provided by us as well as drawings, samples or the like shall remain our property.
2. The Supplier is obliged to use tools and models as well as drawings, samples or the like (i) exclusively for the manufacture of the goods ordered by us, (ii) not to make them available to third parties without our express consent and (iii) unless otherwise agreed in individual cases, to return them to us immediately upon completion of the order. In this respect, the provision on business secrets in Section XVI shall apply additionally.
3. Unless otherwise agreed, the Supplier shall only be entitled to use our trademarks, business designations (including product presentation, packaging design or similar), copyrighted or otherwise protected drawings to the extent that this is absolutely necessary to fulfil its obligations to us.
4. The Supplier must ensure that our tools and models are adequately insured against fire, water, storm, burglary and vandalism damage under its existing insurance policies. The Supplier hereby assigns to us the claims for compensation arising from this insurance and we hereby accept the assignment. The Supplier is also obliged to carry out any necessary maintenance and inspection work on our goods as well as all maintenance and repair work in good time. The costs for this work and any additional costs for insurance cover shall be borne by the Supplier, as is customary in the industry.
5. Insofar as we provide the Supplier with materials, components or other items for the manufacture of goods ("**Reserved Goods**"), we reserve title thereto until the Supplier assigns to us the goods manufactured therewith. Any processing or remodelling of the Reserved Goods by the Supplier shall be carried out for us as manufacturer in a legal sense. If our Reserved Goods are processed, remodelled, combined or mixed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the invoice value of our item to that of the other items at the time of processing, combining or mixing. Should the Supplier's item is to be regarded as the main item, the Supplier hereby assigns to us co-ownership of this item on a pro rata basis and the Supplier shall keep the property thus created in safe custody for us. The following provisions for Reserved Goods subject to retention of title shall apply accordingly to our co-ownership.
6. Our ownership of the Reserved Goods subject to retention of title shall remain in force even if we refuse to receive or off-take the goods due to late or defective delivery or if we refrain from placing further orders. In such cases, the remaining reserved goods shall be made available to us free of charge upon request. The Supplier may neither pledge the Reserved Goods nor assign them as security without our prior written consent. In the event of seizure or other interventions by third parties, the Supplier must inform us immediately in writing. The Supplier is authorised to process the Reserved Goods subject to retention of title for us in the ordinary course of business as part of the production of the goods ordered by us.

XIV. Retention of title

We object to all extensions or prolongations of a retention of title of the Supplier which go beyond the simple retention of title to the unprocessed Supplier goods stored by us, in particular after processing, combining or mixing with other goods as well as after sale of the Supplier goods.

XV. Spare parts, Last Order

1. The Supplier is obliged to keep spare parts for the goods delivered to us in stock for a period of at least 10 years after delivery.
2. In the event that the Supplier intends to discontinue the production of the goods delivered to us or spare parts for these goods, he shall inform us of this in writing immediately after the decision, but at least twelve (12) months in advance. The Supplier shall give us the opportunity to place a last order.

XVI. Intellectual Property Rights, indemnification

1. The Supplier warrants that the delivered goods are free from third-party rights in countries of the European Economic Area (EEA), Switzerland, the United States, China, Canada, or any other countries where the Supplier manufactures or has the products manufactured.
2. The Supplier indemnifies us against all public and private law claims asserted against us due to the violations mentioned in the preceding Para. 1, including reasonable costs of legal defence, unless the Supplier is not responsible for the violation. The indemnification shall be provided upon our first request.

XVII. Business secrets

1. The Supplier is obliged to treat our orders and all related commercial and technical details as trade secrets.
2. The Supplier is required to maintain the confidentiality of documents and information even after the completion of orders and the termination of the business relationship with us. Disclosure of our trade secrets to third parties is only permissible with our written consent or due to a regulatory or judicial order. In the latter case, the Supplier must provide us with an opportunity to comment on the order in advance.

XVIII. Corporate Responsibility

1. Each party shall conduct its business in accordance with the contract (including these GTCP), all applicable international, national and local laws, regulations, directives, ordinances, decisions of competent authorities and shall comply with the Masco Supplier Business Practices Policy ("**SBPP**") available at <https://masco.com/our-suppliers/>. Each party confirms that it is familiar with and complies with the provisions of the United States Foreign Corrupt Practices Act (FCPA), the UK Bribery Act (UKBA) and other applicable anti-bribery and anti-corruption laws (together with the SBPP, "**CR Standards**").
2. The Supplier shall not take or permit any action that either constitutes a breach of the CR Standards or causes HG to breach these CR Standards ("**Prohibited Conduct**"). The Supplier shall select its sub-suppliers with the greatest possible care and shall use its best endeavors to ensure that its sub-suppliers also comply with the CR Standards. Supplier shall comply with all periodic disclosures and certifications set forth in the SBPP. HG may from time to time, at its sole discretion, require the Supplier to sign a certification confirming that the Supplier has complied and will continue to comply with the CR Standards in the performance of the contract.
3. The Supplier is obliged to inform HG immediately in writing of any Prohibited Conduct. In addition to any other rights HG may have under the contract, if (i) Supplier notifies HG of any Prohibited Conduct or (ii) HG otherwise reasonably suspects any Prohibited Conduct, or (iii) at HG's discretion, HG may conduct audits to confirm Supplier's compliance with the CR Standards. As part of such an audit, HG may, upon written notice, inspect or have an independent auditor inspect the Supplier's premises, books and records relevant to the verification and identification of the Prohibited Conduct and the assessment of its impact on the business relationship between HG and the Supplier.
4. In addition, HG expects the Supplier to have a consistent environmental protection management and to comply with environmental and occupational health and safety standards. The Supplier is obliged to use the necessary resources, in particular materials, energy and water, efficiently; it must minimize environmental pollution, in particular from waste, waste water, air and noise.

XIX. Jurisdiction, place of performance, miscellaneous

1. For all legal matters between the Supplier and us, even if the Supplier is based abroad, the law of the Federal Republic of Germany shall exclusively apply, to the exclusion of conflict of laws principles and the United Nations Convention on Contracts for the International Sale of Goods (CISG). This applies in particular to tortious or other non-contractual claims.
2. For all disputes arising out of or in connection with contracts with suppliers based in Germany or in other member states of the EU, Rottweil is the exclusive place of jurisdiction. This also applies to disputes concerning tortious or other non-contractual claims.
3. All disputes arising out of or in connection with contracts with suppliers based outside the EU that cannot be amicably settled shall be finally decided under the Arbitration Rules of the German Institution of Arbitration e.V. Bonn (DIS), excluding recourse to ordinary courts. The place of arbitration is Rottweil. The arbitral tribunal may also rule on the validity of this arbitration agreement.
4. If individual provisions of the contract (including these GTCP) are invalid, this does not affect the remaining terms. Invalid provisions shall be interpreted in such a way that the intended economic purpose of the provision is achieved.