

## **GENERAL TERMS OF PURCHASE OF GOODS AND PROVISIONS OF SERVICES**

### **1. APPLICATION OF TERMS OF PURCHASE**

These terms of purchase and all subsequent versions are freely available to everybody on the purchaser's internet site [www.dssmith.com](http://www.dssmith.com). Acceptance of the purchaser orders implies the supplier's full, unreserved acceptance of these terms of purchase. These apply both to the purchase of supplies and to the provision of services and works. They prevail over any conditions appearing on the supplier's documents and in the absence of specific acceptance, any contrary condition brought up by the supplier is unenforceable to the purchaser. If any of these clauses is nullified, the others remain valid.

### **2. ORDERS**

The supplier must acknowledge reception of the order within 3 working days of the date of the order, and if necessary, make any specific comments which may be necessary. Beyond this period, the supplier is assumed to have accepted all the order specifications unreservedly, particularly the specified deadline.

### **3. DELIVERY:**

**3.1. Delivery / execution period.** The delivery / execution date given on the order and confirmed by the supplier in the acknowledgement, is final and understood to be for the goods delivered / services executed to the address given on the order. Any delay occurring during processing of the order, for any reason whatsoever, must be signalled immediately by e-mail and confirmed by the purchaser. The supplier recognises that he is formally notified to deliver the goods / execute the services on the due date with no further formality.

In the event of non-compliance with this date, the purchaser reserves the right to demand late payment penalties from the supplier, the rate of which is set at two percent (2%) of the price excluding VAT of the order, per complete day of delay.

These penalties will be paid at 30 days, and the parties agree that these penalties shall be offset by right against the sums owed by the purchaser in respect of the supplies/services. These penalties may not exceed ten percent (10%) of the price excluding VAT of the order, provided that the delay does not exceed 6 calendar days. After 6 calendar days, the purchaser shall have the right to cancel the order in question, without this decision having been made in a court of law, with no prejudice to any damages which the purchaser may be able to claim from the supplier in compensation for the prejudice suffered due to his failure. In this same case, the purchaser also reserves the right to purchase the goods / services from another supplier, immediately and without prior notification, any extra cost (price difference and expenses entailed by the new purchase) generated by this new order being born by the supplier at fault. Advance delivery/service's execution with respect to the date indicated on the order cannot be accepted without the purchaser's prior written agreement.

**3.2.** The purchaser reserves the right to modify the quantities and delivery/execution dates initially agreed. Unless the supplier makes known his disagreement formally within 3 working days of the date on which he was informed of the modification to the order, this modification is assumed to have been accepted.

**3.3.** The supplier agrees to provide the purchaser with the following documents in French language, required for assembling and servicing the goods concerned by the order: exploded diagrams of component parts with nomenclature N°, installation, commissioning, adjustment, lubrication and servicing instructions, and nomenclature of component parts.

### **4. PRICE, INVOICING AND TERMS OF PAYMENT**

**4.1. Price.** Unless otherwise stated in the order, prices are final and not revisable. Prices are agreed in DDP (Incoterm 2020) place of delivery and cover insurance and risks until final acceptance in accordance with the stipulations of article below relating to the acceptance of the goods.

**4.2.** The supplier is fully informed of the rights granted by the article 1195 of the French Civil Code. He accepts to assume the risk of a change in unforeseeable circumstances at the time of the conclusion of the Contract and expressly waives all rights arising from the said article, within the limits authorised by French legislation.

**4.3. Invoicing.** The invoice must include all the indications given on the order, allowing the goods/services to be identified and inspected. The invoice must be sent to the invoicing address given on the reverse side of the order.

**4.4. Terms of payment.** Unless otherwise stated in the order, all the purchases / services are payable by bank transfer at 45 days end of month.

**4.5.** The purchaser specifically reserves the right to retain any sums due by the supplier, for any reason whatsoever, when settling the supplier's invoices.

**4.6. Subcontracting.** The supplier may only subcontract the performance of all or part of the services on condition that it has submitted the choice of subcontractor and its terms of payment for the express prior acceptance and approval of the purchaser, pursuant to the law of 31 December 1975 on subcontracting. Failure to declare the subcontractor or to approve its terms of payment shall constitute a serious offence liable to result in the immediate termination of this Contract/Order to the detriment of the supplier. The supplier shall also provide proof of the activity and regularity of the situation of its subcontractors at the start of the service and then every six (6) months until the end of the performance of the Services, in accordance with Articles L.8222-1 and D.8222-5 of the French Labor Code.

In accordance with Article 1 of Law no. 75-1334 of 31 December 1975, the supplier is liable to the purchaser for the proper performance by all its own subcontractors of the obligations subcontracted to them, regarding deadlines, quality of services and performance guarantees, regardless of the circumstances of the subcontracting.

If the supplier sub-contracts any part of the order, it shall remain fully responsible for the acts, defaults, and neglects of its sub-contractors according to articles 1792 and seq. of the French Civil Code.

### **5. ACCEPTANCE OF GOODS, TRANSFER OF RISKS:**

**5.1.** The purchaser reserves the right to inspect any goods on arrival in their premises/services, without this affecting the responsibility of the supplier in any way. Any supply/service which does not conform to the order (in quality or quantity) may be returned to the supplier at his cost and risk. The supplier remains liable for products defects that are beyond the control of the purchaser

or will be revealed during the use of the supplier's products, during a 24-month period from the delivery/execution date.

**5.2.** Unless otherwise stipulated in the order, the transfer of ownership and risks takes place on acceptance recognised as correct and complete at the address given on the order. The purchaser challenges any clause reserving ownership which it has not specifically accepted in writing.

### **6. PRODUCTS / SERVICES CONFORMITY AND RESPONSIBILITY:**

**6.1.** The supplier guarantees that the goods delivered / services executed, the packing and the labelling are in accordance with the purchaser's order and specifications, the technical description provided by the supplier, and the use for which they are intended. Otherwise, the purchaser will be entitled to suspend or refuse the payment of non-compliant supplies/services.

The supplier declares that it is fully aware of the specific needs expressed by the purchaser. It undertakes to provide advice, information, and warnings, and to propose to the purchaser any useful additions or modifications to the supplies/services.

**6.2.** The supplier commits not to change the characteristics and specifications of the products/services, the materials entering in composition of the goods, as well as the process or place of manufacture, without the prior consent of the purchaser.

**6.3.** The goods delivered / services executed must meet the requirements of laws, regulation, and standards in force, particularly with respect to health, safety, environmental protection, and labour and employment rights.

**6.4.** The supplier is bound by an obligation of result and shall deliver supplies and perform services in accordance with the order and within the agreed time.

**6.5.** The purchaser shall have the right to carry out an audit of the supplier's and/or its storage suppliers' premises and storage areas, subject to giving the supplier at least forty-eight (48) hours' notice. At the end of this audit, the purchaser will send the supplier a report and the latter must then, if non-conformity findings have been made, send the purchaser an action plan within a maximum period of one (1) month to indicate the measures that it will put in place in order to respond to these non-conformities. The supplier will give the purchaser free access to its production sites and storage areas and must communicate all useful information relating to the supplies and their storage and traceability conditions. In this way, the supplier undertakes to set up a traceability control system for the materials used to manufacture the supplies.

**6.6.** The order is guaranteed by the supplier against all risk of claim under the heading of patent rights.

**6.7.** The supplier guarantees all equipment delivered free of charge in terms of parts, labour, and travel costs for a period of 24 months. It undertakes to ensure the availability of spare parts for a minimum period of 15 years.

**6.8.** The supplier guarantees the purchaser against any action resulting from the failure to respect these provisions and agrees to bear all financial and other consequences. He must particularly repair any defective merchandise, by his own efforts and at his own expense. He must also repair all the direct, indirect or consequential loss or damage whatsoever, caused by the defects or delay in delivery, to the purchaser and the purchaser customers. Any clause limiting or exonerating the supplier from responsibility cannot be invoked to the purchaser unless it has been specifically accepted in writing.

**6.9** The purchaser shall not have any liability whatsoever for any loss or damage suffered by the supplier or any third party because of any breach of the security of:

- software, network, and information systems used by the supplier; and
- supplier's business' physical, technical, administrative, and organizational safeguards put in place, or that should reasonably have been put in place.

**6.10.** It is the responsibility of the supplier, during the execution of an order/service, to protect itself and the purchaser from attacks on computer and telecommunications systems by taking, within its area of competence, all possible precautions from a technical and organisational point of view and according to the current state of knowledge. Unauthorised internal or external access, disruption, manipulation, or misuse of systems are attacks or cyber-attacks. The same applies to the theft, illicit processing or destruction of information or data, as well as to any other form of illegal intrusion committed for this purpose. The supplier shall immediately report to the purchaser any attack that endangers the purchaser's information/documents or the operation of the system as soon as it occurs or is discovered. In particular, he shall indicate attempted or successful attacks, as well as any other technical compromise of the purchaser's data and/or the system, with any damage caused. On this occasion, he shall specify the measures planned or adopted to remedy the situation. The supplier must also define an action plan to protect itself against new attacks. The supplier will be liable to the purchaser for any harmful consequences resulting from these cyber-attacks.

The purchaser also reserves the right to terminate the contract/order as of right under the conditions of the article 'Ipso jure termination' without prejudice to any claim for damages.

### **7. INSURANCE**

The supplier undertakes to take at its own expense an insurance in sufficient amounts and to maintain in force with a solvent insurance company any insurance policy necessary for the execution of the order. Supplier shall provide a certificate of insurance upon purchaser's first request.

### **8. CONFIDENTIALITY**

The supplier undertakes to keep confidential all information provided by the purchaser as part of the delivery / performance or that the supplier may have obtained on this occasion, regardless of the support. The supplier undertakes, as from the date of receipt of the confidential information and until the end of a period of five (5) years as from the normal or anticipated expiry of the order, whatever the cause, and unless specifically stated otherwise on the confidential information, that it:

- is protected and kept strictly confidential and is treated with the same degree of care and protection as it accords to its own information,
- is disclosed internally only to those members of its staff who have a need to know and who have been duly informed of the strictly confidential nature of this information
- is used by these members of staff only for delivery/execution purposes

- not disclosed to third parties without the purchaser's prior written consent,
- is not copied, reproduced, or duplicated in whole or in part without the prior written agreement of the purchaser.

At the request of the purchaser, the supplier undertakes to hand over to the purchaser, or to destroy and certify in writing, all the purchaser's confidential documents that it may have in its possession.

## 9. IPSO JURE TERMINATION

If the supplier fails to carry out any of his contractual obligations, the order will be terminated ipso jure 8 days following formal notification by registered letter with recorded delivery if no reply has been received.

## 10. COMPLIANCE

The DS SMITH Group is committed to applying the highest ethical standards to its employees, customers, suppliers, and stakeholders. To this end, the purchaser has adopted a global, voluntary approach integrating economic, social, and environmental issues.

The aim and effect of this approach is ethical, transparent, and responsible business management, which considers the impact of its decisions not only on society, but also on its stakeholders and the environment.

The supplier acknowledges that it has taken cognizance of and adheres to the DS SMITH Group's commitments in terms of business, social and environmental ethics, as stipulated in the purchaser code of conduct available on the website [www.dssmith.com](http://www.dssmith.com).

The supplier indicates that it applies equivalent standards within its own organization.

In this respect, the supplier undertakes to comply with the obligations described in this article.

### 10.1 CSR standards

#### Business ethics

The supplier must comply with all laws and regulations relating to the **fight against corruption**. The direct or indirect offer, payment, solicitation or acceptance of payments or bribes in any form is unacceptable. Therefore, the supplier will not pay, promise, or offer bribes to the purchaser and will not accept bribes to influence an act or decision.

The supplier will use due diligence to prevent any action or condition that may give rise to a **conflict of interest** with the purchaser and its employees. The supplier's efforts may include measures to mitigate the conflict of interest so that the supplier's or purchaser's employees or third parties can act in the best interests of their respective companies.

The supplier also undertakes to comply with all **competition laws** and to refrain from any practice or conduct the purpose or effect of which is to restrict or distort free competition.

Each party shall refrain, directly or indirectly, from selling, exporting, distributing, transferring, or supplying products to any country, entity, or person, or from conducting business, in contravention of any **economic or trade sanctions**, embargo laws or regulations in force in the United Kingdom, the European Union, the United States of America, the United Nations, or any other authority competent to impose sanctions.

In addition, none of the parties shall be directly or indirectly owned or controlled by any person who is subject to any sanction imposed by the United Kingdom, the European Union, The United States Of America, the United Nations security council or any other authority competent to impose economic or trade sanctions, or located, incorporated or domiciled in any country or territory which is (or whose government is) subject to economic or trade sanctions.

It will also comply with all laws against **tax evasion, money laundering and the financing of terrorism, arms, and drug trafficking**.

The supplier shall inform the purchaser without delay if a product or activity is subject to an export, import or use restriction.

Finally, the supplier shall comply with the regulations governing the **processing of personal data** in the context of its business relations with the purchaser if these involve an exchange of personal data between the parties.

#### Social commitments

The purchaser is committed to respecting human rights and fundamental freedoms by adhering to the principles of the universal declaration of human rights, the United Nations global compact, the United Nations international convention on the elimination of all forms of racial discrimination, the OECD guidelines and the ILO declaration on fundamental principles and rights at work. The purchaser expects its supplier to adopt the same approach.

To this end, **child labor and the use of forced labor, servitude, slavery, and concealed labor** are totally prohibited.

The supplier shall also refrain from any action aimed at preventing any employee from **joining a trade union or similar external representative organization**.

The supplier shall refrain from any form of **harassment and victimization** in the workplace based on race, gender, religion, political beliefs, citizenship, age, disability, or sexual orientation...

**Working hours, vacations and remuneration** must comply with national legislation.

The supplier's working environment shall guarantee the **health and safety** of all its employees and other persons affected by its activities and provide a safe and healthy working environment.

The supplier shall ensure that none of its employees is forced to work in unhealthy or unsafe conditions. To this end, the supplier shall carry out appropriate risk assessments and ensure that work is carried out by a competent and qualified person.

Finally, the supplier shall promote **equal opportunities, diversity, and an inclusive culture** within its organization.

#### Environmental responsibility

The supplier undertakes to comply with the environmental laws and regulations applicable to it, and to provide the purchaser with information on the consequences of its activity on the environment, in particular its water and energy consumption, the measures taken to improve its energy efficiency such as the use of renewable energies, discharges into the air, water and soil which seriously affect the environment, any noise or odor nuisance caused by its activity, and the waste generated by it.

The supplier will also endeavor to promote sustainable development by communicating to the purchaser (without this list being exhaustive) the measures taken to limit damage to biodiversity, natural environments, animal and plant species, its environmental assessment or certification procedures, but also the expenses incurred, such as the creation within its company of departments specializing in the environment and of specific procedures, the training of employees on these subjects, the resources devoted to risk reduction and to dealing with pollution accidents and, if applicable, the amount of compensation paid in respect of the current financial year in the event of the supplier being condemned for damage caused to the environment.

## 10.2 Evaluation of the supplier

The supplier agrees to provide the purchaser at any time with proof that it has complied with the provisions of this clause. The supplier shall seriously and diligently complete the evaluation questionnaire sent to it by the purchaser (questionnaire or evaluation platform) and shall send to the purchaser its sustainability report (CSRD directive) if it is obliged to draw one up.

The supplier agrees to be audited by the purchaser or an independent third-party auditor appointed by the purchaser.

Within this framework, the parties will jointly agree on an audit date and the supplier must grant access to its premises and provide to the purchaser / the external auditor with any information and/or documentation that the latter may request to carry out this audit.

In principle, the audit costs will be borne by the purchaser. However, if the result of the audit reveals non-compliance with the commitments described above, the purchaser will be entitled to re-invoice the audit costs.

## 10.3 Consequences in the event of default by the supplier

If it appears that the supplier is not complying with all or part of the commitments described in the present article, the purchaser may ask the supplier to implement corrective measures within a defined period. Failure to implement these measures within the deadline may lead to the suspension and/or termination of the contract for breach by the supplier, subject to reasonable written notice in respect of the breaches observed.

In any event, in the event of failure by the supplier to comply with the legal and regulatory obligations relating to the commitments described in this article, the purchaser may immediately and automatically terminate this contract in writing, without prejudice to any rights to damages.

## 10.4 Scope of application

The supplier undertakes to ensure that its shareholders, directors, employees, subsidiaries, subcontractors and any third parties acting on its behalf comply with the obligations described in this article.

The supplier will also ensure that its suppliers entering its supply chain also comply with these principles.

## 11. WORKS EXECUTION ON SITE

The supplier acknowledges having received and taken cognizance of the safety regulations applicable to the sites where he will be working. The supplier shall furthermore comply with and see to it that their staffs comply with occupational health and safety rules pursuant to labour laws, as well as environmental protection rules as are imposed by French and European legislation, regulations and standards that are currently in force. The supplier undertakes to inform the purchaser of any prosecutions and/or convictions relating to health and safety over the last five years, providing the details requested by the purchaser. The supplier's on-site supervisor shall be liable for issuing to their staff possible authorisations for use, to use certain equipment, particularly powered industrial trucks. The supplier's on-site supervisor shall ensure before giving authorisation, that the equipment is adapted to the intervention and has been subjected to regular checks, that the concerned users satisfy all medical and technical requirements. The supplier's on-site supervisor must have a very good level on French language or, failing that, have an interpreter. All the supplier's staff members are forbidden to borrow or use any equipment belonging to the purchaser, outside of an agreement regarding borrowing equipment. The cleaning, restoring construction site and removal of the supplier equipment and wastes are the final operation of the order. The supplier shall ensure that all dangers are disappeared.

## 12. ATTRIBUTION OF JURISDICTION - APPLICABLE LAW

In the absence of friendly settlement, any litigation will be brought before **the purchaser courts** which hold sole jurisdiction even in the event of claim on guarantee or multiple defendants. French Law is applicable.