



Terms and Conditions for Purchase Orders

1. Conclusion of contract

(1) The following terms and conditions for purchase orders (Terms and Conditions) shall govern any and all purchase orders placed by Neorem Magnets Oy (Neorem) and supplies or services rendered by the Supplier according to these purchase orders. They shall also govern any and all future supplies or services provided by the Supplier to Neorem even where no express reference is made thereto again upon concluding the contract.

(2) Terms and conditions of the Supplier shall only apply upon Neorem's written consent. Acceptance of or rendering payment for supplies or services of the Supplier shall not constitute consent by Neorem.

(3) Any purchase order placed by Neorem shall become binding upon written confirmation by the Supplier (Purchase Order Confirmation), however, no later than one week after receipt of the purchase order by the Supplier, unless the Supplier objects thereto within such period. Calls for delivery pursuant to a call-off delivery schedule shall be binding unless the Supplier objects thereto within two business days from receipt.

(4) If the Purchase Order Confirmation deviates from the actual purchase order, Neorem shall be bound thereto only if it consented to the deviation in writing. The Order Confirmation should be sent electronically in PDF format to the following address: info@neorem.fi (information on electronic order confirmation is available at www.neorem.fi/company).

(5) Oral agreements, including modifications or supplements to the purchase order shall be valid only if confirmed in writing by Neorem. In addition to the authorized representatives registered with the commercial register only the Purchasing partner or MRP-Controller named in the purchase order are authorized to issue such a confirmation. If a technical coordinator is named in the purchase order, purely technical issues that have no effect on the price and delivery time or on legal issues such as warranty and liability can also be clarified with the technical coordinator. In such event, the technical coordinator is also authorized to issue a written confirmation of the modification or supplements.

2. Dates and time periods for performance

(1) Agreed dates and time periods shall be binding for the Supplier. Receipt of delivery at Neorem's designated receiving location shall be decisive for the timeliness of supplies, irrespective of the agreed Incoterm. For the timeliness of deliveries involving set up or assembly and for the timeliness of services the date on which they are available for acceptance shall be decisive.

(2) Should a delay in any supplies or services become evident, Neorem shall be notified promptly along with the reason for and the expected duration of the delay. The Supplier is obliged to take all reasonable measures to avoid or minimize the delay.

(3) In the event of delay with respect to supplies or services, the Supplier shall be obligated to pay a contractual penalty equivalent to 0.5% of the value of the delivery or service for each commencing week of delay, however, not more than 5 % of the value of the delivery or service to which the delay pertains. Neorem may assert a claim to payment of a contractual penalty in addition to its claim for performance; Neorem shall be under no obligation to assert a claim for payment of a contractual penalty within any express or implied time limit, except the statutory time bar in accordance with the Act on the Limitation of Debts (*Jaki velan vanhentumisesta; 728/2003, as amended*) Neorem hereby reserves any and all further rights and claims.

(4) Supplies or services prior to the scheduled date, partial supplies or services or supplies of excessive quantities shall be delivered or performed only upon Neorem's prior written consent. In those cases where supplies or services are delivered or performed prior to the scheduled date, the payment period shall not begin to run until the date on which the delivery was originally scheduled.

3. Shipping

(1) The Supplier shall bear the agreed shipping and packaging costs. DDP (Incoterms® 2010) shall apply. Any additional costs arising due to the failure to comply with any shipping instructions or from the necessary use of express shipping in order to meet scheduled delivery dates shall be borne by the Supplier.

(2) All deliveries shall include the packing slips or shipping orders along with an indication of the content as well as the full purchase order number. Notice of shipment including this information shall be sent promptly.

4. Invoices

E-invoicing details are available at www.neorem.fi/contact. PDF format invoices shall be sent to finance@neorem.fi.

5. Payment

(1) Payments are to be remitted less a 3% discount within 14 days or in full within 30 days.

(2) To the extent not otherwise provided in these Terms and Conditions, the payment period shall begin to run as soon as supply or service has been rendered in conformance with the contract and Neorem has received a duly issued invoice. To the extent the Supplier is required to provide material tests, test reports, quality documents or other documentation, the supply or service will not be deemed to be in compliance with the contract unless such documentation is also received. The discount may also be deducted if Neorem effects set-off, makes partial payments or withholds a reasonable portion of payment due to defects.

(3) Payment by Neorem (dispatch of cheque, transfer of funds) shall operate to preserve the payment and discount period.

(4) Acceptance of the supply or service or payment without reservation shall not constitute any waiver of any claims to which Neorem is entitled nor does it constitute any acknowledgment of the supply or service being conforming to contract.

6. Rescission

Neorem may rescind the contract, either in whole or in part, if i) the Supplier's financial position deteriorates; ii) the Supplier discontinues performance; or iii) the Supplier otherwise breaches any material contractual obligation, in particular obligations pursuant to Section 13.

7. Claims for defects

(1) The Supplier warrants that supplies and services are free of defects. Specifically, these must reflect the state of the art, the generally recognised rules of technology and technical safety regulations and applicable laws.

(2) Upon delivery of supplies or rendering services, Neorem may check whether they correspond to the ordered quantity and type and whether there is any apparent damage resulting from their transport or any other visible defect. If Neorem discovers externally recognizable damage or defects within the meaning of sentence 1 during the aforementioned inspections, Neorem shall notify the Supplier thereof without delay. Should Neorem

discover any damage or defect at a later date, Neorem shall also notify Supplier without unreasonable delay. However, any inspection made by or on behalf of Neorem or the failure to make such inspection shall not to any extent relieve the Supplier from its liability for defects nor constitute or be deemed as any form of waiver or result in forfeiture of any rights to the detriment of Neorem.

(3) Claims for defects – on any legal grounds whatsoever – shall become time-barred 36 months after risk passes, i.e., in the case of supplies, following delivery and in the case of services, upon final acceptance. If the Supplier satisfies its obligation to cure performance by effecting substitute delivery, the limitation period for the substitute delivery shall begin to run from the time risk passes. The foregoing shall not affect any longer statutory limitation periods.

(4) Neorem may select the form of cure (remedy of defect or defect-free delivery/performance of the contractual supplies /services). The Supplier may not refuse the form of cure selected by Neorem unless it would require unreasonable cost.

(5) After a reasonable period for cure has expired without result, Neorem may carry out the necessary measures itself or have these carried out by a third party at the Supplier's expense and request reimbursement of the required expenses. No time period need be set if this is no longer possible for reasons of particular urgency, specifically in order to ward off imminent danger or prevent greater damage.

(6) In case of defects of title, the Supplier shall indemnify Neorem against any third-party claims, unless the Supplier is not at fault for said defects of title.

(7) Any further or supplemental rights of Neorem shall remain unaffected hereby.

8. Involvement of third parties

Purchasing the contractual supplies from third parties or engaging third parties to perform the contractual services, either in whole or in part, is only permitted with Neorem's prior written consent. The Supplier thereby shall be equally liable for its own fault and for the fault of third parties.

9. Material provided

(1) Any material provided by Neorem shall remain the property of Neorem and shall be stored separately free of charge, labelled and held with the due care of a prudent businessperson. Such materials may only be used for supplies or services provided to Neorem. In the event of loss or damage, the Supplier shall pay compensation.

(2) Materials are processed or altered on behalf of Neorem, who is deemed the producer and owner of the new or altered object. If legal reasons do not permit this, Neorem and the Supplier agree that Neorem shall become a co-owner of the object produced using Neorem's material in a ratio of the value of the materials provided to the value of the product as a whole, which in this respect is being held by the Supplier on Neorem's behalf. The Supplier shall hold the new object free of charge on Neorem's behalf with the due care of a prudent businessperson.

10. Know-how and confidentiality

(1) Tools, moulds, samples, models, profiles, drawings, standards, mechanicals and templates provided by Neorem, as well as objects produced based thereon, may not be disclosed to third parties nor used for any purpose other than the contractual purpose without Neorem's prior written consent. They are to be secured against unauthorised access or use. Notwithstanding further rights, Neorem may require surrender thereof if the Supplier is in breach of these obligations.

(2) The Supplier shall not disclose to third parties any confidential information obtained from Neorem to the extent it did not generally or otherwise have lawful knowledge thereof.

(3) Any proprietary rights of Neorem shall remain unaffected.

11. Property of Neorem

Items which are in the Supplier's possession as the property of Neorem – e.g., for repair – may only be surrendered in those cases where an agent of Neorem is sent to personally pick up the objects and then only upon submission of a copy of the order transaction. The Supplier is required to have the agent of Neorem show its company I.D.

12. Right to refuse performance and right of retention

The Supplier may only assert a right of retention with respect to counterclaims directly arising under the contract. The Supplier may only assert a right of retention or a right to refuse performance based on claims which are uncontested or have been held to be final and absolute by a court of law or arbitral tribunal with jurisdiction.

13. General Compliance, Customs and Export control regulations

(1) The Supplier agrees

- to comply with all applicable laws and regulations, specifically the applicable regulations on minimum wages and for the protection of human rights and environmental standards in the supply chain, anti-bribery and anti-corruption laws, national and international customs and export control regulations to the extent applicable to Neorem or the supplier, environmental laws, antitrust and competition laws, tax laws, laws for proper accounting and financial reporting data protection regulations as well as all relevant regulations for the prevention of accidents and other occupational health and safety regulations;
- to apply any labels required under any applicable hazardous substances regulation – with first-time deliveries the Supplier shall send the safety data sheet pursuant to Regulation (EC) No 1907/2006 (REACH) in advance;
- to comply with Supplier Code of Conduct of VAC Group (of which Neorem is an affiliate) – available on www.neorem.fi/company under **SUPPLIER CODE OF CONDUCT**.
- to comply with Regulation (EC) No 1907/2006 (REACH) and Directives 2011/65/EU (RoHS) and 2012/19/EU (WEEE), including any amendments of the aforementioned provisions;
- to procure and supply only materials that are free of conflict materials prohibited pursuant to the U.S. Dodd-Frank Act and whose procurement and production are free of human rights violations, in particular child labor, forced labor and slave labor, such as under the Uyghur Forced Labor Prevention Act, the UK Modern Slavery Act and the German Supply Chain Due Diligence Act (*Lieferkettensorgfaltspflichtengesetz*) or similar regulations for the protection of human rights and the environment.

In case third parties are involved (see Paragraph 8), Supplier shall ensure their compliance with the aforementioned laws and regulations in its supply chain.

(2) Upon request, the Supplier shall without undue delay provide Neorem with appropriate proof of compliance with the aforementioned laws and regulations. Neorem reserves the right to take further appropriate action to verify compliance with the aforementioned regulations, in particular, to inspect the anonymized wage and salary lists for the employees used by the Supplier and to conduct audits. In addition, the Supplier shall be obliged to provide Neorem, upon request, with all information and documents necessary for Neorem to comply with the

regulatory requirements arising from the aforementioned laws and regulations.

(3) Supplier shall provide all information and documents required for the import and make them available to Neorem immediately after conclusion of the contract. This shall also apply to information and documents required for import, subsequent export or re-export. The obligation includes, among other things, customs and tax numbers, certificates of origin, shipping and transport documents, Supplier declarations of preferential origin, the Export Control Classification Number according to the U.S. Commerce Control List (ECCN), the classification number according to the EU Dual-Use Regulation (Regulation (EU) 2021/821) and the classification number according to the export list. If relevant changes occur after information has been provided or documents have been sent, Supplier shall notify Neorem about these changes without delay.

(4) Supplier shall be liable and indemnify Neorem against all costs or other losses (in particular claims of third parties, fines, immaterial damages) resulting from the Supplier's non-compliance with the applicable laws and regulations as well as the provisions of this Section 13, unless the Supplier proves that it is not responsible for the violation

14. Place of jurisdiction and applicable law

(1) Any dispute, controversy or claim arising out of or relating to the contract, 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 three (3). The seat of the arbitration shall be Helsinki. The language of the arbitration shall be English.

(2) The contract and any matter arising from or in connection with it shall be governed by and construed in accordance with Finnish substantive law to the exclusion of the conflicts of laws provisions and the UN Convention on Contracts for the International Sale of Goods (CISG).

15. Certificates and information re contractor's obligations and liability

(1) This Section 15 shall apply to the extent the Act on Contractor's Obligations and Liability (Tilajavastuulaki; 1233/2006, as amended) applies to the contract.

(2) The Supplier shall have joined the Vastuu Group Reliable partner service of Finland. The Supplier shall comply with the Act on Contractor's Obligations and Liability with regard to its subcontractors (if any) and submit to Neorem valid Reliable partner report in connection with the approval of the subcontractor.

(3) The Supplier must include information regarding liability insurance in the specification of the Reliable partner report.

(4) If the Supplier is a non-Finnish company not able join the Reliable partner service, it shall deliver to Neorem the required statements in Finnish or English as specified in the above-mentioned act.

(5) Before concluding the contract, the Supplier shall have submitted to Neorem the required statements and certifications (not older than three (3) months), in accordance with the Act on Contractor's Obligations and Liability.

(6) Should the contract continue to be in force for more than 12 months, the Supplier is obliged to deliver to Neorem the information required by the Act on Contractor's Obligations and Liability at least after every 12 months.

(7) The Supplier is furthermore obliged to deliver up to date information and certificates specified in this Section 15, if requested so by Neorem and without any separate request in case any information set out therein changes.