



Purchasing Terms and Conditions

1. General

- 1.1 These terms and conditions apply to all goods and services procured by Purchaser from Supplier, whether by written procurement agreement or purchase order. Conflicting or divergent terms or conditions of Supplier are not valid, even if not expressly contradicted, and shall only be valid if expressly agreed to in writing by Purchase.
- 1.2 Offers shall be submitted without charge. Any deviations from Purchaser's enquiry shall be specified.
- 1.3 Purchaser may accept any offer or reject all offers.
- 1.4 Only orders submitted or confirmed in writing by Purchaser are binding.
- 1.5 "Purchaser" means Kronos Worldwide, Inc. or its affiliate or subsidiary purchasing entity named in the applicable written procurement agreement or purchase order.
- 1.6 "Supplier" means the seller entity named in the applicable written procurement agreement or purchase order.

2. Range of Goods

- 2.1 The Supplier shall maintain the range of goods precisely in accordance with demand and shall provide express information in the event of any deviations in the availability of the goods.
- 2.2 Prices are to be listed separately according to the price of the goods and services and VAT or sales taxes, if applicable. Any quotations shall only be remunerated on the basis of a separate agreement.

3. Ordering

- 3.1 Any orders and amended orders shall be made in writing. Verbal discussions shall only be binding if confirmed in writing.
- 3.2 Orders shall comply with the specifications selected by Purchaser, shall be without discernible errors and shall be fit for Purchaser's intended purpose.
- 3.3 All written communications shall specify the Purchaser's Purchasing Department and shall contain the complete order number, order date and the internal reference number of the Purchaser, if applicable.

4. Delivery

- 4.1 The delivery period shall commence on the date of the order. If the Supplier is unable to fulfil its contractual obligations in whole or in part, including delivery delays, Supplier shall immediately notify Purchaser. Such notification shall state the cause of the failure or delay and the proposed corrective action or anticipated delivery date. Supplier's failure to provide this required notice shall preclude Supplier from later asserting Force Majeure. Purchaser shall have the right, at its sole election, to either cancel any delayed order or receive liquidated damages



accrued at the rate of 0.2 % per calendar day of the total amount of the order until delivery takes place. Liquidated damages shall be capped at 15 % of the total order value. If Purchaser elects to cancel the order, Supplier shall be liable for any direct loss suffered by Purchaser because of the delay.

- 4.2 Unless otherwise agreed, for domestic purchases delivery terms shall be DDP Purchaser's location (Incoterms 2023) and for international purchases DAP Purchaser's location (Incoterms 2023).

5. Warranty, Notification of Defects and Liability

- 5.1 The Supplier warrants that the goods supplied and services provided are without any defects, which may reduce their value or affect their usability, that they possess the agreed or guaranteed properties, that they are suitable for Purchaser's purpose, that they conform to generally accepted technical practice and that the delivery of the goods and the provision of the services comply with all laws, regulations and ordinances applicable to such goods or services in the country of delivery of such goods or services. In the event that the Supplier has guaranteed the properties or durability of the goods supplied, the Purchaser may also assert a claim under the terms of such a guarantee. This shall not apply to defects or damage to the object of delivery caused by:

- a) normal wear and tear; and
- b) improper handling on the part of the Purchaser.

The Purchaser shall notify the Supplier of any defects of the goods delivered as soon as these are discovered in the regular course of business. The deadline for notification of defects shall depend on the circumstances of the individual case. Notwithstanding this, the minimum period of such a deadline for notification of defects shall comprise at least five (5) working days (Monday to Friday) after delivery has taken place in respect of obvious defects and at least five (5) such working days after discovery of the defect in respect of latent defects.

The provisions hereinabove stated shall apply mutatis mutandis to services such as assembly, maintenance, etc.

- 5.2 Unless otherwise expressly agreed, the statutory warranty limitation periods, if any, shall apply.
- 5.3 The Supplier's warranty shall also cover any items manufactured by subcontractors.
- 5.4 In the event of notification of defect, the limitation period shall be extended by the time elapsing between such notification of defect and repair of the defect. In the event that the goods are fully replaced by new goods, the limitation period shall begin anew. In the event that such goods are replaced in part, the limitation period shall begin anew in respect of such new parts.
- 5.5 Goods, which are subject to complaint under the warranty, shall remain at the Purchaser's disposal until replacements have been supplied, whereupon they shall become the property of the Supplier.



- 5.6 In urgent cases when it is not possible to wait for the Supplier to remedy a defect or in the event that the Supplier fails to repair a defect notwithstanding the setting of an additional deadline or in the event that an attempt to remedy a defect is ultimately unsuccessful, the Purchaser may eliminate the defect himself at the Supplier's expense or may have recourse to asserting the other warranty rights pursuant to Clause 5.1 hereinabove.
- 5.7 The previous provisions of this Clause 5 shall be without prejudice to any other right or remedy that Purchaser may have at law or equity in connection with a breach by Supplier of the warranties set forth above.

6. Tests

In the event that tests are specified for the goods supplied, the Supplier shall bear the costs of such tests in respect of the expense of conducting such tests and the human resources expenses incurred by the Supplier. The Purchaser shall be responsible for his own personnel costs incurred by the tests. The Supplier shall provide the Purchaser with binding notification no less than one week prior to the date on which the goods will be ready for testing and shall agree with the Purchaser on a date for conducting such tests. In the event that the goods are not presented for testing on the date stipulated, the Purchaser's personnel costs shall be borne by the Supplier. In the event that defects are discovered, which render it necessary to repeat the tests or conduct further tests, the Supplier shall bear all personnel costs thus incurred and all costs incurred for conducting the tests. The Supplier shall also bear all personnel costs and other costs incurred in connection with testing the materials used in executing the order.

7. Insurance

- 7.1 Unless otherwise agreed, transport insurance shall in all cases be taken out by the Supplier.
- 7.2 The Supplier shall conclude and maintain at his own expense adequate third party liability insurance to cover any damage caused by the Supplier, its staff or representatives resulting from services rendered or any goods or items delivered. The Supplier shall provide the Purchaser with documentation indicating the amount insured per occurrence of damage if the Purchaser so requests.
- 7.3 Any machines, appliances, etc. supplied to the Purchaser on a loan basis shall be insured by the Purchaser against usual and customary risks. Any further liability of the Purchaser concerning the destruction of or damage to such machines, appliances, etc. shall be excluded, insofar as such destruction and damage is not the result of Purchaser's willful or grossly negligent act.

8. Dispatch Requirements

- 8.1 The Supplier is obliged to provide for each individual consignment a detailed dispatch note on the date of dispatch, separate from goods and invoice. Goods shall be accompanied by a delivery note and a packing slip. In the event that goods are to be dispatched by ship, the dis-



patch documentation and invoice shall specify the names of the shipping company and the ship. The Supplier shall choose a mode of transport, which is most beneficial and most suitable for the Purchaser. All dispatch notes, packing slips, bills of lading and invoices as well as all outer packaging etc. must indicate the complete order reference and details concerning the unloading point specified by the Purchaser.

- 8.2 The Supplier is obliged to pack, mark and dispatch dangerous goods in accordance with relevant national or international regulations. Accompanying documentation must indicate the risk category of the goods supplied and any further stipulations, which may be required pursuant to the relevant transportation regulations.
- 8.3 The Supplier shall be liable for any damage caused by the non-compliance with these provisions and shall be responsible for the payment of any costs thereby incurred. The Supplier shall be responsible for ensuring compliance with said shipping requirements by any of its sub-supplier.
- 8.4 Any consignments of which the Purchaser is unable to take delivery due to the non-compliance with these provisions shall be stored at the Supplier's expense and risk. The Purchaser shall be entitled to ascertain the contents and condition of such consignments. Tools and equipment shall not be loaded in the same consignment as the goods supplied.

9. Pricing

The pricing on Purchaser's original purchase order as accepted by Supplier shall be binding. Thereafter, no change to pricing shall be made, except for by signed written agreement between Purchaser and Supplier.

10. Invoicing and Payment

- 10.1 Invoices must be in accordance with the phraseology used, the sequence of the text and the prices stated in the order placed. Any additional or reduced services must be specified separately in the invoice.
- 10.2 Terms of payment shall begin on the dates specified, but not prior to the date on which goods or, in case invoices are issued, invoices are received. Unless otherwise agreed, any payment claim is due 60 (sixty) days net after receipt of the invoice.
- 10.3 A payment shall not be deemed to constitute the acceptance of conditions and prices. The time of payment shall be without prejudice to the Supplier's warranty obligations or the Purchaser's right to complain about defects.
If payment is made in advance, the Purchaser shall have the right to demand a bank guarantee to secure performance at Supplier's expense.

11. Documentation

- 11.1 All information, drawings, certificates standards, guidelines, methods of analysis, formulas and other documents provided to the Supplier by the Purchaser for the purpose of manufacturing the goods to be supplied and any such documents drawn up by the Supplier in accordance with special instructions submitted by the Purchaser shall remain the property of the Purchaser and may not be used for any other purpose, reproduced or made available to third parties by the Supplier.



The Supplier shall surrender all such documentation and all copies and duplicates thereof without delay if so requested. The Purchaser shall retain the industrial and intellectual property rights to all documents provided to the Supplier. The Supplier is obliged to treat all enquiries and orders and all work and information associated therewith with strictest confidence. The Supplier shall be liable for any loss incurred by the Purchaser arising as a result of a breach of any one of these obligations by the Supplier. The Supplier shall provide the Purchaser with all documents required for discussing any details of the goods to be supplied. Any such detailed discussion concerning the goods to be supplied or any other involvement of the Purchaser shall take place exclusively within the area of responsibility of the Supplier and shall not release the Supplier from any warranty or other obligations.

- 11.2 The Supplier shall provide the Purchaser free of charge, unless otherwise agreed with all documents required by the latter for using, assembling, installing, processing, storing, operating, servicing, inspecting, maintaining or repairing the goods supplied and shall provide any such documents in a timely manner, and without being specifically requested to do so.
- 11.3 Any standards and guidelines specified by the Purchaser shall apply as amended.

12. Objects

Any molds, models, tools, films, etc. that have been manufactured by the Supplier for the purpose of fulfilling the order, shall become the property of the Purchaser once payment has been made for such objects. This shall apply even in the event that said objects remain in the possession of the Supplier. Said objects shall be handed over to the Purchaser on request.

13. Assembly, Maintenance, Inspection, Repairs, etc.

- 13.1 In the event that assembly, maintenance, inspection, repair work, etc. is carried out on the Purchaser's premises, Supplier shall comply with Purchaser's safety and procedural regulations applying in respect of external companies executing orders on the premises of Purchaser or its affiliated companies. Violations of Purchaser's safety or other regulations for work performed at a Purchaser site shall constitute good cause for extraordinary and immediate termination. In the event of any such violation, Purchaser may (i) request that Supplier prepare a corrective/preventive action plan that is satisfactory to Purchaser in its sole discretion, or (ii) terminate the work, services, or order immediately upon written notice to Supplier. For certain Purchaser sites, the current safety regulations may be found on our homepage www.kronosww.com.
- 13.2 The Purchaser shall not be liable for any damage or loss to any property of the Supplier brought onto the Purchaser's premises by the Supplier or the Supplier's staff.

14. Patent Infringement

The Supplier guarantees that patents, licenses or industrial or intellectual property rights of third parties will not be infringed as a result of the supply or use of the goods supplied by the Supplier. Any required license fees shall be borne by the Supplier.



15. Advertising Material

The Supplier shall not refer to business relations with the Purchaser in any information or advertising material without the Purchaser's express written agreement.

16. Applicable Law, Interpretation of the Provisions of the Agreement etc.

16.1 The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to this Agreement or the provision or performance of goods or services under this Agreement. If the Parties are unable to resolve the dispute, then, either party may submit such dispute to the International Court of Arbitration of the International Chamber of Commerce and such dispute shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules. The language of the arbitration shall be English. The place of arbitration shall be New York, USA or the location of Purchaser. The arbitration shall be the sole and exclusive forum for resolution of the Dispute, and the decision shall be in writing, state the reasons for the decision, and be final and binding. Judgment thereon may be entered in any court of competent jurisdiction.

16.2 The law of New York, USA shall govern all deliveries of goods and services and shall apply to all disputes related thereto and to the interpretation of these terms and conditions, without regard to conflicts of laws principles of such jurisdiction. The application of the UN Convention on Contracts for the International Sale of Goods, as amended, shall be excluded.

16.3 Unless inconsistent with these Terms and Conditions or the purchase order, the terms of carriage and related obligations of Supplier and Purchaser shall be as prescribed by Incoterms 2022.

17. Subcontracting

Supplier shall not subcontract all or part of the work or services provided without the express written consent of the Purchaser.

18. Data protection

Supplier acknowledges and agrees that Purchaser will store and use its personally identifiable information in connection with Suppliers provision of goods and services to Purchaser.

19. Place of fulfillment

For deliveries and services, the unloading point shall be Purchaser's location unless otherwise agreed in writing.

20. Agreement on Place of Jurisdiction

The sole place of jurisdiction for disputes hereunder shall be as set forth in Section 16.1.



21 REACH

21.1 For European purchases, if there is a requirement that the product must be registered according to REACH, Supplier shall ensure that the product is approved and registered according to REACH regulations upon delivery to Purchaser.

21.2 All costs in connection with REACH compliance shall be borne by the Supplier.

22 Compliance with Law

Supplier shall comply with all applicable laws, regulations and ordinances, including, but not limited to, any laws or regulations enacted by the United States, Canada, European Union, or applicable countries or localities, requiring disclosure of climate or other information related to Environmental, Social, and Governance (“ESG”), or any other laws, regulations or legal requirements imposing ESG obligations applicable to Supplier’s or Purchaser’s goods, services, operations, or business. Supplier shall obtain all licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement (“Permits”), and shall ensure that such Permits remain effective and in good standing during the period in which Supplier provides work or services to Purchaser. Supplier shall comply with all export and import laws of all countries involved in the sale of the goods and services under this agreement.

Supplier will not act in any fashion or take any action that will render Purchaser liable for a violation of any applicable anti-bribery legislation (including without limitation, the U.S. Foreign Corrupt Practices Act and the UK Bribery Act 2010), which prohibits the offering, giving or promising to offer or give, or receiving, directly or indirectly, money or anything of value to any third party to assist it, them, or Purchaser in retaining or obtaining business or performance hereunder.

Supplier’s failure to comply with this provision 22 will constitute good cause for extraordinary and immediate termination, and in the event of Supplier’s failure to comply with this provision 22, Purchaser may terminate the work, services, or order being performed by Supplier immediately by written notice.

23 Supply Chain Compliance

Supplier shall comply with Purchaser’s Supplier Code of Conduct, as amended from time to time, which may be found on our homepage www.kronosww.com. Supplier will report to Purchaser any human rights, environmental, or governance violations or non-compliance, and will promptly take all necessary and appropriate action to correct any such violations or non-compliance. Upon request, Supplier shall provide to Purchaser accurate and verifiable ESG data, including but not limited to carbon dioxide equivalent emissions data and other information required by ESG Laws applicable to Supplier or Purchaser and related to the goods and services sold under this agreement.



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Purchaser may, but is not obligated to, request (or perform) a formal investigation or onsite audit for any violations or non-compliance. Should an investigation be required, a written response must be given within 25 business days and must include a corrective/preventive action plan that is satisfactory to Purchaser in its sole discretion. Supplier will cooperate with Purchaser to implement improvements based on verifiable ESG data. In addition to the foregoing, Supplier's failure to comply with this provision 23 will constitute good cause for extraordinary and immediate termination, and in the event of Supplier's failure to comply with this provision 23, Purchaser may terminate the work, services, or order being performed by Supplier immediately by written notice.

24. Indemnification

Supplier shall defend, indemnify and hold harmless Purchaser and Purchaser's subsidiaries, affiliates, successors or assigns and their respective directors, officers, and employees (collectively, "Indemnitees") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "Losses") arising out of or occurring in connection with (i) the goods or services provided or performed by Supplier, (i) Supplier's negligence or wilful misconduct, or (iii) Supplier's breach of these terms and conditions.