

## GENERAL TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS – BELGIUM

### 1. Definition

The term “**Agreement**” as used in these General Terms and Conditions has the meaning set forth in the Frame Agreement, if one was entered into by ESSITY and Supplier. If there is no Frame Agreement, then the term refers to the Purchase Order, issued by ESSITY, together with any documents expressly incorporated therein.

### 2. Application

- 2.1 These General Terms and Conditions apply to all Agreements relating to the purchase of goods concluded by any ESSITY group entity located in Belgium (hereinafter referred to as “**ESSITY**”).
- 2.2 ESSITY’s and Supplier’s obligations shall be evidenced by purchase orders issued from time-to- time by ESSITY (individually, a “**Purchase Order**”, and, collectively, “**Purchase Orders**”). Purchase Orders shall be deemed to be accepted by the Supplier under all of the conditions set out in the Purchase Orders, if they have not been the subject of written reservations by the Supplier no later than five (5) working days after their receipt by the Supplier. If reservations are made within this period, they shall not form an integral part of the Agreement unless ESSITY approves them in writing.
- 2.3 Supplier’s performance against a Purchase Order constitutes its unconditional acceptance of these General Terms and Conditions.
- 2.4 Terms and conditions proposed by Supplier that are different from or in addition to the provisions of the Agreement are expressly rejected by ESSITY and shall form no part of the Agreement.
- 2.5 In the event of a conflict between the Purchase Order and the Frame Agreement, the Frame Agreement shall take precedence.

### 3. Condition of the Goods

- 3.1 The Goods shall be defined by an agreed specification with a unique identification code (“**Goods**”).
- 3.2 ESSITY reserves the right to change by written notification any of the following: (a) specifications, drawings and data incorporated in the Agreement where the items to be furnished are to be specifically manufactured for ESSITY; (b) quantity; (c) methods of shipment or

packaging; (d) place of delivery; or (e) time of delivery, provided that the change notice was sent to the Supplier before the delivery of the Goods and that Essity has justified reasons for the change notice. If any change by ESSITY causes an increase or decrease in the cost of Goods or change in the delivery schedule, the parties shall agree on an equitable adjustment in the contract price or delivery schedule, or both. Any claim by Supplier for adjustment under this clause shall be deemed waived unless asserted in writing within 10 days following Supplier's receipt of a written change notice from ESSITY.

#### **4. Competitive Pricing**

- 4.1 The prices in the Purchase Orders are fixed and may not be adjusted unless otherwise agreed. With the exception of VAT (value added tax), prices include all costs, risks, charges and obligations of all kinds incumbent on the Supplier under the terms of the Purchase Order.
- 4.2 The prices agreed in a Framework Agreement are fixed for the period agreed between the parties. Any agreed price revision will apply to Purchase Orders issued from the effective date of the revision.
- 4.3 Should Supplier sell or offer goods of equivalent quality and quantity to a third party at a lower price than that in effect under a Purchase Order, then ESSITY shall receive the benefit of such lower price on all shipments of Goods made by Supplier to ESSITY while such lower price is in effect.

#### **5. Invoicing and Payment**

- 5.1 Unless otherwise provided in the Agreement or required by law, payment is due 60 days from the date of receipt of the invoice by ESSITY, it being understood that Supplier shall not send invoices before the date upon which transfer of title and risk of loss to Goods occurs.
- 5.2 ESSITY may withhold payment if Supplier's invoice is inaccurate, does not meet ESSITY's reasonable requirements or fails to satisfy applicable legal or tax requirements. Supplier shall include all documentation reasonably required by ESSITY to support Supplier's claim for payment.

ESSITY's reasonable requirements shall mean any information on the Purchase Order that enables ESSITY to identify the services provided and to verify that they have actually been provided to ESSITY, as well as any information necessary for the creation of the Supplier account in ESSITY's computer system enabling payment to be made.

5.3 Payment for Goods shall not constitute acceptance and does not constitute a waiver by ESSITY to assert its rights or exercise any remedies.

## 6. Delivery

Delivery dates set forth in a Purchase Order are binding. Supplier shall inform ESSITY immediately of any potential delay in delivery of Goods. Acceptance of delayed delivery shall not constitute a waiver of ESSITY's rights or remedies.

## 7. Title and Risk of Loss

7.1 Title to and risk of loss with respect to Goods shall pass to ESSITY at the time and place of delivery determined in accordance with the agreed Incoterm.

7.2 Supplier's right of retention and right to claim back unpaid goods are expressly excluded.

## 8 Warranties

8.1 Supplier warrants that:

- a) Goods covered by the Agreement shall conform with all specifications, drawings, samples and quality standards either (i) furnished by ESSITY, or (ii) furnished by Supplier and approved by ESSITY, and will be merchantable, of good material and workmanship, free of defect and fit for the particular purposes intended by ESSITY;
- b) it shall convey full legal and beneficial title to the Goods, free and clear of any liens or other encumbrances;
- c) it shall comply with all applicable laws and regulations in the performance of its obligations under the Agreement, being understood and agreed that with respect to Goods that are aimed at being resold, leased or otherwise supplied by ESSITY to its own clients, the applicable laws and regulations that shall be complied with shall not be only the laws and regulations of the countries where ESSITY is located but also the laws and regulations of the Intended Market, including but not limited to all legislations and standards set forth in the Supplier Standard and all legally required labelling requirements as applicable. **"Intended Market"** means country(ies) where the Goods are placed or are to be placed on the market, as communicated by ESSITY from time to time ;
- d) Goods covered by the Agreement and their manufacture,

importation, sale, offer for sale and use do not and will not violate, infringe, directly or indirectly, any patent, copyright, trademark, intellectual property or other proprietary rights owned by a person other than ESSITY;

- e) it shall comply in all respects with ESSITY's Global Supplier Standard ("**Supplier Standard**") published on [www.essity.com/gss](http://www.essity.com/gss) as updated from time to time;
  - f) as relevant, it shall comply with the requirements of the European Union Regulation concerning the registration, evaluation, authorisation and restriction of chemicals (Regulation EC No 1907/2006), including any amendments and/or implementing legislation ("**REACH Regulation**") in its production of Goods, as well as with ESSITY requirements related to the REACH Regulation described in the relevant appendix to the Agreement or in a separate REACH Agreement; and
  - g) as relevant, it shall comply with the requirements of the European Union Regulation 1223/2009 on cosmetic products, including any amendments and/or implementing legislation ("**Cosmetic Regulation**"), as well as with ESSITY requirements related to the Cosmetic Regulation described in the relevant Appendix to the Agreement.
- 8.2 Supplier's warranties shall survive acceptance and shall continue until the date a warranty period for the Goods under applicable law expires, if any, or if no such warranty period exists, until ESSITY's right to claim shall be statute-barred under applicable law but in no event less than two years following ESSITY's receipt of the Goods. In addition, with respect to Goods that are intended to be delivered to final consumers, the warranty period(s) for the Goods shall be the same warranty period(s) set forth in the relevant laws and regulations enacted for the protection of consumers, but in no event less than two years following the consumers' receipt of the Goods.

## 9. Remedies for defective Goods

- 9.1 ESSITY shall not be obliged to inspect the Goods prior to sale or following delivery. Neither omission to inspect the Goods nor ESSITY's knowledge of a defect shall in any way limit ESSITY's right to claim for remedies.
- 9.2 ESSITY shall have the right to put Supplier on notice of defects within a reasonable time following the detection of a defect.
- 9.3 Supplier shall, at ESSITY discretion, rectify the defect, deliver substitute Goods or reduce the price of the defective Goods. ESSITY's option in this regard is an absolute and unconditional right. Furthermore Supplier shall indemnify ESSITY against losses arising from defective Goods according to section 11 below.

9.4 If ESSITY elects to receive substitute Goods and so requests, Supplier shall replace the entire delivery containing defective Goods, at its own cost, or separate the defective Goods from the delivery/batch, provided such separation is practicable and can be performed in such a manner as not to interfere with the conduct of ESSITY's business.

## **10. Remedies in the event of delay in the delivery of the Goods**

If the Goods are not delivered or delivered late ESSITY shall have an absolute and unconditional right to demand performance or terminate the Agreement. Furthermore, Supplier shall indemnify ESSITY against losses arising from such delay according to section 11 below.

## **11. Indemnity and insurance**

11.1 Supplier shall indemnify, defend and hold ESSITY harmless, from and against any and all claims, demands, suits, actions, causes of action, liabilities, fines, penalties, losses, damages and expenses, including, without limitation, attorney's fees and charges arising from or related to Supplier's acts or omissions in its performance of the Agreement, including, without limitation, a breach by Supplier of any of its warranties or guarantees.

11.2 The Supplier shall at all times carry and maintain liability insurance coverage to satisfactorily cover its respective liabilities under the Agreement, with a minimum amount of coverage of at least 100.000.000 EUR.

## **12. Proprietary Rights**

12.1 ESSITY shall retain ownership of its intellectual property and other proprietary rights. Supplier may use such rights only to the extent necessary to fulfill its obligations under the Agreement.

12.2 Supplier shall make no reference to the Agreement, nor ESSITY names, logos, designs, images, trademarks and any other ESSITY intellectual property rights in any commercial document, advertising or other promotional material without the prior consent of ESSITY.

12.3 Goods manufactured utilizing intellectual property or other proprietary rights owned by or licensed to ESSITY may not be used for Supplier's own use or sold to third parties without ESSITY's consent.

12.4 Upon request, Supplier shall immediately return all materials containing ESSITY intellectual property or other proprietary rights, including, without limitation, moulds or other tooling, without retaining copies.

### 13. Termination

13.1 ESSITY may terminate all or any part of the Agreement, without liability to Supplier, upon notice if Supplier (i) breaches the Agreement, (ii) states its intention not to perform or otherwise rejects its obligations under the Agreement, (iii) fails to make progress in performance so as to put at risk timely and proper delivery of Goods, or (iv) undergoes a direct or indirect change in control or ownership; provided, however, that if any failure or breach under clauses (i) through (iii) is curable, ESSITY shall provide Supplier with an opportunity to cure it within a commercially reasonable period of time, but in no event more than 15 days following ESSITY's notice of default. Termination of the Agreement shall not limit or constitute a waiver of ESSITY's rights or remedies.

13.2 The Supplier may terminate all or part of the Agreement, without liability to ESSITY, upon notice if ESSITY (i) commits repeated failures to pay invoices due and undisputed from the Supplier, or (ii) breaches the Agreement other than under clause (i); provided, however, that if any failure or breach under clauses (i) through (ii) is curable, the Supplier shall provide ESSITY with an opportunity to cure it within a commercially reasonable period of time, but in no event more than 15 calendar days following the Supplier's notice of default. Termination of the Agreement shall not limit or constitute a waiver of the Suppliers' rights or remedies.

### 14. Confidentiality

Each party agrees not to disclose the other party's confidential information to third parties without the other party's prior consent, nor to use such confidential information for purposes other than performance of its obligations under the Agreement. Disclosure of such information shall be limited to those officers, employees, consultants and/or agents of the receiving party who have a need to know and who are bound by confidentiality obligations no less stringent than those contained herein. These confidentiality and non-use obligations shall survive for a period of five years from expiration or termination of the Agreement, except with respect to information that constitutes a trade secret or proprietary technical knowledge in which case such obligations shall survive for so long as such information is not publicly known.

### 15. Audit Rights

To the extent reasonably exercised and upon 3 days written notice to the Supplier, Supplier shall provide ESSITY or any independent auditing company, during normal working hours on any business day, with access to its premises and all pertinent information for the purpose of auditing Supplier's compliance with the terms of the Agreement or inspecting or conducting an inventory of finished Goods, work-in-process, raw

materials, any of ESSITY's property and all work or other items to be provided pursuant to the Agreement located at Supplier's premises. ESSITY shall pay for the cost of any such audit, unless the audit identifies a failure by the Supplier in the performance of the Agreement, in which case the Supplier shall reimburse ESSITY for all its reasonable costs incurred in the course of the audit without prejudice to all other rights ESSITY may have in relation to such breach. Supplier will preserve all records pertinent to a Purchase Order, and Supplier's performance under such Purchase Order, for a period of not less than five years following ESSITY's final payment for Goods under such Purchase Order.

## 16. Cooperation

Supplier shall provide ESSITY, at no additional cost, with such documentation and/or information including but not limited to customs documentation, as ESSITY may reasonably request. Supplier shall cooperate fully with ESSITY in the event of investigations, enquiries or audits by public authorities or governmental agencies with respect to ESSITY's compliance with laws and regulations.

## 17. Assignment; Subcontracting

17.1 Neither party shall assign or subcontract its rights or obligations under the Agreement without the prior consent of the other party.

17.2 In the event that ESSITY would authorize Supplier to subcontract part of its rights or obligations under the Agreement, Supplier shall not be relieved of any of its responsibilities and obligations under this Agreement and shall be primarily liable for all acts or omissions of any subcontractor.

## 18. Protection of personal data

18.1 Any personal data collected by a party will be processed solely for the purposes of executing, administering and monitoring the Agreement and in accordance with applicable laws and regulations, including, without limitation, the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ("GDPR"), its transposition into the applicable national law of a Member State of the European Union, and any future laws and regulations replacing the GDPR.

18.2 Each of the parties, their respective employees, directors and officers shall have the right to access personal data relating to them and to request that such data be corrected or deleted. These rights may be exercised by sending a letter to the address of the other party.

## 19. Change of circumstances

The parties expressly agree that performance of the Agreement is of the essence, irrespective of changed circumstances. Each party expressly declares that it supports any (even unforeseeable) risk of the Agreement becoming more burdensome or less valuable, which shall not lead to a renegotiation or termination of (any provision of) the Agreement. The parties therefore waive irrevocably and to the largest possible extent any and all application of article 5.74 of the new Belgian Civil Code.

## **20. Communications**

Notices, demands, consents and any other communications related to the Agreement must be in writing, all of which shall be deemed to have been properly served if delivered to the other party's contact person designated in the Purchase Order by (a) a recognized overnight courier service, (b) registered mail or (c) email.

## **21. Entire Agreement**

The Agreement constitutes the entire understanding between Supplier and ESSITY with respect to the purchase and sale of Goods. No amendment, modification or waiver shall be effective unless in writing, signed by both parties.

## **22. Governing Law**

The Agreement shall be governed by and construed in accordance with the local laws of the country, state or province where ESSITY is located without reference to its conflict-of-laws provisions. The convention on contracts for the international sale of goods shall not apply to the Agreement.

## **23. Disputes**

Any dispute, controversy or claim arising out of or in connection with the Agreement, or the breach, termination or invalidity thereof, shall be exclusively settled by the courts of the place where ESSITY is located or having principal jurisdiction over such place.

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