



GENERAL TERMS AND CONDITIONS OF PURCHASE

These terms and conditions of purchase (“**Conditions**”) constitute an integral and binding part of any Order for the purchase of Products by Prolactal GmbH, Ferdinand-Leihs-Strasse 40, 8230 Hartberg, Austria (“**Prolactal**”), from the company supplying the Products following an Order (“**Supplier**”), whether incorporated by reference to an Internet website, by notice or transmitted electronically or in paper form. Prolactal and Supplier together are hereinafter referred to as the “**Parties**” or individually as a “**Party**”. The Order together with these Conditions and, where applicable, any special agreement concluded between the Parties for the purchase of the Products (“**Agreement**”), constitute the entire agreement between Supplier and Prolactal, and any purchase of Products is conditioned on and limited to the terms of the Order and the Agreement.

1 APPLICABILITY

By performing pursuant to, or acknowledging receipt of, an Order, Supplier assents to these Conditions as fully as if Supplier had accepted them in writing. Unless and only to the extent expressly adopted in the Order, Prolactal rejects, and these Conditions expressly exclude, any additional or inconsistent terms and conditions regardless of materiality offered by Supplier at any time, irrespective of Prolactal’s acceptance of Products. Any reference in the Order to Supplier’s quotation, offer or proposal will be deemed adoption of only those portions of the quotation, offer or proposal which are not inconsistent with, or does not conflict with, these Conditions.

2 DEFINITIONS

- 2.1 “**Applicable Laws and Regulations**” means laws and regulations (i) applicable to Supplier in all places where Supplier does business, (ii) applicable to the Products provided pursuant to this Order, including without limitation, such laws and regulations applicable at the place of delivery or (iii) required by the law governing the Order or the Agreement.
- 2.2 “**Delivery**” means delivery of (i) Product/s pursuant to an Order, in conformance with the Order and the Agreement and free from any defects or damages, to the destination set forth in such Order pursuant to the INCOTERMS set forth in the Order; and (ii) all documents required by the Order, including without limitation, a properly executed bill of lading, documents required for custom clearance, delivery note, measuring note, and certificate of compliance with standards (where applicable), which in each case must bear the applicable Order number together with Prolactal’s material symbol numbers or code numbers if furnished by Prolactal. “**Deliver**” and “**Delivered**” will have correlative meanings.
- 2.3 “**Products**” means the products bought by Prolactal from Supplier under an Order or the Agreement.
- 2.4 “**Order**” means the document or documents issued and delivered by Prolactal to Supplier specifying, among other things, the Product being purchased (including any technical details, specifications or plans), the price, quantities, the date and place of delivery (“**Delivery Date**”), the terms of the International Chamber of Commerce’s INCOTERM 2020 (“**INCOTERMS**”) applicable to the delivery of Products, the

payment terms and other technical and commercial terms unique to such Product, and includes these Conditions. Unless otherwise specifically excluded in an Order, such Order for Products shall be deemed to include without additional cost or expense all services, products, licenses, permits and approvals necessary for performance under the Order in accordance with the standards set forth in the Order and the Agreement and all other mandatory standards contained in Applicable Laws and Regulations.

- 2.5** “**Specification**” means the detailed description, technical requirements, performance criteria, quality standards and other specifications relating to the Products to be supplied under the respective Order. The Specification may include, but is not limited to, product composition, dimensions, tolerances, certifications, testing methods, and other performance or technical characteristics. The Specification will be either set forth in the Order itself or in a separate document referenced therein. The Specification included in or referenced in a binding Order, or separately signed by both Parties, is binding upon the Supplier.

3 ORDERS & DELIVERY

- 3.1 Orders.** Prolactal shall provide a written Order for the Products, which Order shall also include the Delivery Date. Following Supplier’s confirmation of an Order a binding agreement shall be constituted.
- 3.2 Delivery Terms.** Supplier shall deliver the Products per the INCOTERMS as set out in the Order. Supplier is aware that timely (upon the day agreed) delivery is of the essence. Supplier shall inform Prolactal via email to supply@prolactal.com as soon as any shipment of Product is sent out to Prolactal. Supplier shall inform Prolactal as soon as possible of any delay in delivery. Should delivery be delayed then Prolactal shall have the cumulative rights to invoice Supplier for the downtime costs incurred as a result of such delayed delivery and/or reject such delayed Order. Supplier agrees that a fair estimation of such damages for each hour of downtime shall amount to EUR 150.
- 3.3 No Subcontracting or Delegations.** Supplier shall not subcontract or delegate its obligations (in whole or in part) under the Agreement or the Order to a third-party (including any affiliate of Supplier) without the prior written consent of Prolactal and provided that Supplier shall remain solely and fully liable for the performance of its subcontractors.
- 3.4 Changes to Specification.** No changes to Specification shall be made without mutual written consent.
- 3.5 Title.** The title to the Products shall pass to Prolactal upon Delivery of the Product.
- 3.6 Packaging and Marking.** All Products purchased under the Order shall be packed (e.g., in containers, crates or boxes etc.) and marked, and accompanied by all requisite supporting documentation, all in full compliance with the Specifications and Applicable Law and Regulations, good manufacturing practices in consideration



of the respective Products, the method of transport chosen standards, and any packaging, marking, transportation or other requirements as Prolactal may detail in the Order.

4 QUALITY

4.1 Warranties. Without limiting the rights Prolactal may otherwise have under Applicable Law and Regulations, Supplier warrants to Prolactal, with respect to all Products Delivered hereunder that, as of the Delivery Date:

- (a) such Products fully conform with the Specifications and other requirements for such Products set forth in the Order,
- (b) such Products shall have been manufactured in accordance with the highest quality standards used in the industry and at the facility, and shall comply with Applicable Laws and Regulations, including regulations on food safety, health, safety and environmental protection;
- (c) the Products will be packaged in accordance with good practices to ensure receipt at Prolactal's facility in an undamaged and safe condition; and
- (d) title to such Products will pass to Prolactal free and clear of any security interest, lien, taxes, rights of third parties or other encumbrance.

4.2 Authorizations and Permits. Supplier shall hold, during all times relevant to the fulfillment of any Order, all requisite licenses, permits and approvals, including, without limitation, permits to hold, store, use, import and export food material. At the request of Prolactal, Supplier shall promptly deliver to Prolactal a copy of such permit, license or approval. In addition, at the request of Prolactal, Supplier shall deliver to Prolactal a certificate, executed by a duly authorized officer of Supplier, certifying compliance with any Applicable Law and Regulations. Supplier shall inform Prolactal promptly in writing in the event any such authorization or permit is not obtained in a timely manner or is withdrawn or is threatened to be withdrawn. Supplier shall, in so far as possible, cooperate with all governmental, Prolactal, or Prolactal customer audits.

4.3 Prolactal's Inspection Rights. Supplier shall allow Prolactal to visit the facility or facilities where Products are manufactured and/or prepared for Delivery and inspect the Products and the facilities during regular business hours to verify Supplier's production capacity, quality standards and the compliance with the Agreement or the Order. Supplier shall remedy any defects which may cause a breach of the Agreement or the Order and shall take such measures as reasonably instructed by Prolactal in order to ensure compliance with the Agreement and the Order.

4.4 Supplier's Inspection. Supplier shall, at a minimum, inspect and test Products prior to Delivery. Supplier shall maintain inspection records and batch samples for each Product delivered for a period of 24 months. Supplier shall provide Prolactal the results of such inspections for each Order upon Delivery. Supplier shall provide Prolactal documented procedures for incoming, in-process and final inspection upon request. Prolactal may take samples from Deliveries and perform a cursory inspection of incoming material; in such instances Prolactal shall retain a frozen sample from the Delivery from which further testing may be conducted. Such samples and the results of such tests shall be binding upon the Parties. Such samples shall be retained



for a period of at least two (2) months after Delivery. Any additional testing of such samples which confirms the Product as off-spec shall be for the costs of the Supplier, and any such testing which confirms the Products as on-spec shall be for the costs of Prolactal. The Supplier is liable for damages resulting from any off-spec delivery, including that Prolactal shall have the right to purchase equivalent Products from third party suppliers and Supplier shall compensate Prolactal for the price difference.

5 PRICES & PAYMENT

- 5.1** The price agreed for the Products includes and will include full reimbursement for the Products and compensation for all ancillary costs. All taxes on the production, Delivery or sale of the Products required by Applicable Law and Regulations, including customs fees, shall be paid by Supplier, unless otherwise determined by applicable INCOTERM. Prolactal shall be responsible only for taxes which under Applicable Law and Regulations or the relevant INCOTERM Prolactal is required to pay. Prolactal shall be entitled to withhold payment in case of dispute. Prolactal shall be entitled to set off payables and receivables under the Agreement or the Order.

6 RIGHT OF REJECTION; INDEMNIFICATION AND INSURANCE

- 6.1 Notification.** If any Products are not supplied in accordance with the Agreement or the Order, Prolactal shall inform the Supplier thereof promptly upon discovery. Supplier shall examine, test and send results (Certificate of Analysis) with Delivery. Prolactal may retain frozen samples of Product. In such cases where there are discussions regarding defects, the results of Prolactal's frozen samples and analysis thereof shall be leading. For such analysis Prolactal shall select a reputable third-party laboratory.
- 6.2 Right of Rejection.** Without prejudice to any additional rights arising from the delivery of such Products, Prolactal shall have the right to reject any Products that are defective, deficient, or otherwise nonconforming with the Agreement or the Order or any part thereof ("**Nonconforming Products**"). All costs and expenses incurred by Prolactal in connection therewith (including return or disposal of defective Products) shall be borne by Supplier. Prolactal may source their requirements from alternative suppliers and Supplier shall reimburse Prolactal for the price difference. Supplier shall provide within 24 hours of a written request, full traceability for any given batch of Product.
- 6.3 Suspension Right.** Without prejudice to any additional rights arising from the delivery of such Products, in such instances where the Products have been found to be nonconforming Products by Prolactal, then Prolactal shall have the right to suspend all current and future deliveries (upon written notice) until a satisfactory and complete root-cause analysis of such Nonconforming Products delivery has been provided and Prolactal is of the reasonable opinion that future deliveries shall be in accordance with the Agreement and the Order. Where minimum volume amounts have been agreed, such minimum volumes shall be decreased on a pro-rata basis given the duration of such suspension.

6.4 Indemnification. Supplier shall defend, indemnify and hold Prolactal, its Affiliates and their respective officers, directors, employees, agents and representatives, harmless from and against any and all claims, demands, proceedings, losses, damages, liabilities, deficiencies and costs, and reasonable attorneys' fees ("**Claims**") including without limitation, Claims for personal or bodily injury or death of a Person or damage to property in any way related to, arising out of or in connection with: (i) any breach of the Agreement by Supplier, including any breach of warranties or covenants; (ii) the supply of defective Products, including any Products having a latent defect; (iii) any negligence or willful misconduct of Supplier; (iv) the presence of any person, including employees of either Prolactal, its Affiliates or Supplier, on the premises of Prolactal, its Affiliates or Supplier unless such injury or damage results solely from the gross negligence or willful misconduct of Prolactal or such Affiliate; (v) any violation or alleged violation by Supplier of Applicable Law and Regulations, including without limitation, environmental damage, unless such violation or alleged violation results solely from the gross negligence or willful misconduct of Prolactal; or (vi) any actual or alleged infringement by Supplier of any third party's rights, including patent, copyright, trademark or other intellectual property rights with respect to the Products or their known use. Prolactal shall promptly notify Supplier of any such Claims, shall reasonably cooperate with Supplier in the defense of such Claims, and shall permit Supplier to take part in the defense of such Claims, all at Supplier's cost and expense; provided that Supplier shall not consent to the entry of any judgment, enter into any settlement or otherwise dispose of such Claim without the prior written consent of Prolactal, which shall not be unreasonably withheld. Supplier agrees that the quality of the Product affects Prolactal's end product, and as such any deficiencies in Prolactal's end product derived from the Product are a direct and foreseeable consequence of the Product being Nonconforming Products.

6.5 Limitation of Liability. Neither Party shall be liable to the other in connection with the Agreement or any Order for incidental, exemplary, or punitive damages; such limitation shall not apply to (i) Claims arising out of Supplier's (including any entity or individual acting on its behalf) negligence or willful misconduct or (ii) cases of strict liability under Applicable Laws and Regulations, or (iii) material defects in or related to the Products.

6.6 Insurance. Supplier shall maintain, during the period of the Agreement or the Order and at all relevant times thereafter during which Supplier may be liable for damages, insurance in types and amounts customary for the type of business it conducts, and in any event, reasonably adequate to cover any liabilities arising out of its obligations under the Agreement and under Applicable Law and Regulations worldwide. Products liability Insurance type and completed operations shall be continued for at least two (2) years after the Delivery Date of the Products and all additional services according to the Agreement or an Order unless the policy is on occurrence basis. Supplier's insurance coverage shall in any case be no less than five (5) million euros. Supplier shall provide proof of insurance upon request, failure to do so within five (5) working days of such request shall be considered a material breach of these Conditions.

7 FORCE MAJEURE

- 7.1 Force Majeure.** Neither Party shall be liable to the other Party for loss or damage due to any unanticipated circumstances beyond such Party's reasonable control and without the fault or negligence of such Party and which could not have been expected or avoided by due care which will be limited to direct effect on the performance of a Party's obligations under the Agreement or an Order by, including but not limited to, war, whether declared or not, acts of terrorism, acts of government, International Trade Sanctions, fire, flood, windstorm, earthquakes, and pandemic (a "**Force Majeure**"). Notwithstanding the foregoing, Supplier's factory stoppages and Delivery disruptions due to shortage of materials, supplies of fuels, Supplier's labor disputes, and the acts or omissions of Supplier's subcontractors, shall not be considered a Force Majeure. The obligations of the Party affected by Force Majeure shall be suspended for the duration of such Force Majeure provided however that such Party will use all commercially reasonable efforts to resume performance of the Order as soon as possible, however, such efforts do not require the resolution of labor disputes.
- 7.2 Prolactal's Rights during Force Majeure.** At Prolactal's option, any quantity of Products so affected by a Force Majeure shall be deducted from the total quantity purchased by Prolactal. Supplier will allocate its actual production among its internal needs and its contract customers in a manner that results in Prolactal receiving not less than the same allocation on a pro rata basis as it received prior to such event of Force Majeure. If Supplier's performance is suspended for more than thirty (30) calendar days due to a Force Majeure, Prolactal may, at its option, terminate the Order, and/or as applicable Agreement with immediate effect upon written notice to Supplier.

8 CONFIDENTIALITY AND INTELLECTUAL PROPERTY

- 8.1 Confidential Information.** Supplier shall keep and cause their employees to keep confidential and not to disclose, and except for the purpose of performing under the Order or the Agreement, not to use, any data and information concerning the business, research plans or activities of Prolactal (hereinafter, "**Confidential Information**"). Supplier agrees not to make any unauthorized disclosure of any similar information of third parties. If Supplier is obliged by Applicable Laws and Regulations to disclose Confidential Information, Supplier shall provide (where possible) prior written notice.
- 8.2 Exceptions to Confidential Information.** "Confidential Information" shall not include information which (a) is in the public domain at the time of disclosure hereunder and was not previously disclosed directly or indirectly by Prolactal; or (b) becomes part of the public domain through no fault of Supplier; or (c) is received without restriction from a third party acting as a matter of legal right and without breach of any agreement, or (d) is demonstrably already in the possession of Supplier at the time of disclosure and which was not acquired directly or indirectly under obligations of confidentiality or restrictions in use by Prolactal.

9 TERMINATION OF ORDER

9.1 Immediate Termination. Prolactal may terminate any outstanding Order or the Agreement with immediate effect without prejudice to any other right upon written notice to Supplier that:

- (a) Supplier is in breach of any Order or the Agreement which is not cured within 14 days (or such longer period as the Supplier may agree to) of receipt of Prolactal's notice of such breach; or
- (b) Supplier has filed an application under any bankruptcy legislation or declaration of bankruptcy or insolvency or commencement of liquidation, voluntary or otherwise, or Supplier's assets have been placed under the administration, receivership, trusteeship, judicial management, or Supplier is making any arrangement with its creditors, Supplier's real estate or bank accounts or assets have been confiscated, or Supplier is taking or suffering any similar action relating to its indebtedness or creditors.
- (c) Immediately upon written notice pursuant to a breach of clause 10 by the Supplier.
- (d) Immediately where Supplier's breach of any Order leads to either (i) damages in excess of 100% of the relevant Order value, or (ii) such breach in the reasonable opinion of Prolactal causes such reputational damage to Prolactal that Prolactal will no longer accept a continued business relationship with the Supplier.
- (e) If three (3) or more batches of Product delivered by Supplier in any two (2) month period are Nonconforming Products or otherwise not in accordance with the Order or the Agreement.
- (f) Immediately upon written notice where Supplier is unable to provide transfer certification for Products sold from outside the European Union as Organic.

9.2 Prolactal may terminate any outstanding Order and the Agreement upon written notice with immediate effect and without prejudice to any other right upon Supplier's transfer or assignment of its majority of fully diluted equity ownership rights, business activity or material assets relating, in whole or in part, to the Products without obtaining purchaser's and its Affiliate's advance written consent.

9.3 In the event of termination of an Order or the Agreement by Prolactal, including termination for convenience, Supplier shall refund to Prolactal all amounts Supplier had received in consideration of any unfulfilled Order in addition to any other remedy to which Prolactal may be entitled under these Conditions or Applicable Law and Regulations. Any termination of any Order or the Agreement for any reason shall not limit Supplier's warranties, obligations or liabilities given or arising prior to such termination. For the avoidance of doubt, except as otherwise expressly provided, termination of an Order or the Agreement, irrespective of the cause, shall not affect any rights or obligations from the Order or the Agreement which, from the context thereof, are intended to survive termination.

10 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS AND PROLACTAL'S CODE OF CONDUCT

- 10.1 Compliance with Customs Regulations.** At the request of Prolactal, Supplier must submit to Prolactal all documents and information required from the Supplier in order to export and import the Products within 3 (three) weeks of receipt of the relevant Order so as to avoid delay in receiving a required export or import permit. After any required approvals by the applicable authority, any Certificate of Origin or equivalent document ("**Certificate of Origin**") will be delivered to Prolactal together with the Delivery (along with any documents defined in the Order as required to be provided at Delivery) of the relevant Products. The Supplier hereby represents and warrants that all statements and declarations made by the Supplier in any Certificate of Origin issued by the relevant authorities will be true and correct and will be made in accordance with any Applicable Law and Regulations. The Supplier further represents and warrants that its representations concerning the originating status of the Products as set in the Certificate of Origin, are accurate and complete, and that in applying for the Certificate of Origin the Supplier has fulfilled all the requirements of any Applicable Law and Regulations including any relevant bilateral or multilateral free trade agreement in its most recent form. In the production or supply of the Products, Supplier shall comply with all Applicable Law and Regulations.
- 10.2** Supplier covenants that it shall not, and shall not permit any of its Affiliates, officers, directors, employees, agents or representatives or any permitted subcontractors, to violate any anti-bribery, anti-corruption and anti-money-laundering laws applicable to them in the negotiation and performance of the Order or the Agreement. Without limiting the generality of the foregoing, Supplier represents and warrants that it has not and will not offer or make any payments or gifts of any kind, directly or indirectly, to (i) any official of any government, or any agency or instrumentality thereof, or (ii) any employee or representative of Prolactal. Supplier represents and undertakes that in the performance of the Order or the Agreement, it and all of its affiliates, directors, officers or sub-contractors will comply in all material respects with all applicable laws, regulations or similar instruments including relating to anti-corruption, competition law and foreign trade controls (export controls and sanctions laws of the UN, the EU and US or other relevant regulator). For the purposes of clarity: Supplier will not give, promise or attempt to give or approve the giving of anything of value to any person, for illegal purposes or for improperly obtaining or retaining business. Supplier shall not deal, or cause Prolactal to deal, with any person or entity in respect of transactions prohibited by foreign trade controls, or which could damage Prolactal's commercial or other reputation interests, even if not in violation of any foreign trade controls.
- 10.3** Supplier has established processes and maintains policies and procedures to prevent violation of Clause 10.
- 10.4** Prolactal maintains a formal integrity program consisting of various guidelines, policies and procedures, which describe the ethical standards that Prolactal requires from its business partners such as Supplier (the "**Code of Conduct**" and "**Supplier Code of Conduct**"). The Code of Conduct and Supplier Code of Conduct are publicly available on the following webpages <https://www.icl-group.com/commercial-terms/> and - https://icl-group-sustainability.com/wp-content/uploads/2021/04/ICL-Group-Supplier-Code-of-Conduct_ENG_2021.pdf respectively.

10.5 Restrictions on Trade. Supplier, for itself, its Affiliates, and their respective employees, officers and directors, hereby represents and warrants to Prolactal and its Affiliates that it is not listed on any sanctioned party list issued by any nation, including, without limitation, the United States of America, any member state of the European Union or the place where the Order is to be Delivered. Supplier shall notify Prolactal and its Affiliates immediately in the event it, any of Supplier's Affiliates, or their respective employees, officers or directors are so listed.

11 MISCELLANEOUS

11.1 Notices under the Order or the Agreement must be provided in writing. In writing shall include emails (facsimile) provided that in the case of notice provided to Prolactal the following addressees must both be in copy: procurement@prolactal.com, and isabelle.pitter@prolactal.com.

11.2 Any Order and the Agreement shall be exclusively governed by the laws of Austria and shall be subject to the exclusive jurisdiction of the courts of Vienna, Austria.

11.3 In the event of any dispute, Supplier shall not suspend the supply of Products unless otherwise decided by a court of competent jurisdiction.

11.4 If any provision of these Conditions is held to be illegal, invalid or unenforceable under the Applicable Law and Regulations, present or future, and if the rights or obligations of the Parties under these Conditions will not be materially and adversely affected thereby, (a) such provision shall be fully severable, (b) these Conditions shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (c) the remaining provisions of these Conditions shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance therefrom, and (d) in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of these Conditions a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and reasonably acceptable to the Parties.

11.5 This Agreement and the rights hereunder may not be assigned or transferred by Supplier without the prior written consent of Prolactal (other than for rights to payment).

11.6 Supplier shall not issue any publicity releases or announcements or post on any website or otherwise advertise or communicate its business with Prolactal without the prior written approval of Prolactal.