

## DEVRO GLOBAL – STANDARD TERMS AND CONDITIONS OF PURCHASE GOODS AND SERVICES

### 1. Interpretation

#### 1.1 Definitions:

**Conditions:** the terms and conditions set out in this document (including the Annex).

**Contract:** the contract between Devro and the Supplier for the purchase of the Goods and/or Services in accordance with these Conditions and the Order.

**Deliverables:** all documents, products and materials developed by the Supplier or its agents, contractors and employees as part of or in relation to the Services in any form or media, including drawings, maps, plans, diagrams, designs, pictures, computer programs, data, specifications and reports (including drafts).

**Delivery Date:** the date specified in the Order for delivery of the Goods.

**Delivery Location:** the address for delivery of Goods as set out in the Order.

**Devro:** means the Devro entity placing the Order as set out in the Annex.

**Goods:** the goods (or any part of them) set out in the Order.

**Intellectual Property Rights:** patents, utility models, rights to inventions, copyright and neighbouring and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

**Mandatory Policies:** Devro's Business Conduct Policy and Devro's Global Statements on Business Conduct, Environmental Management, Food Safety, Health and Safety, People, Quality and Modern Slavery (available at: <https://www.devro.com/csr/>), as amended by notification to the Supplier from time to time.

**Order:** Devro's order for the Goods and/or Services, as set out in Devro's purchase order form.

**Services:** the services, including any Deliverables, to be provided by the Supplier under the Contract, as set out in the Specification.

**Specification:** any specification for the Goods and/or Services that is provided by Devro to the Supplier or included in the Order.

**Supplier:** the person or firm from whom Devro purchases the Goods and/or Services.

#### 1.2 Interpretation:

- (a) A reference to a statute or statutory provision is a reference to it as amended or re-enacted.
- (b) Any words following the terms **including, include**, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- (c) A reference to **writing** or **written** includes emails.

### 2. Basis of contract

2.1 These Conditions apply to the Contract to the exclusion of any other terms that the Supplier seeks to impose or incorporate, or which are implied by law, trade custom, practice or course of dealing.

2.2 The Order constitutes an offer by Devro to purchase the Goods and/or Services in accordance with these Conditions.

2.3 The Order shall be deemed to be accepted on the earlier of: (a) the Supplier issuing a written acceptance of the Order; or (b) the Supplier doing any act consistent with fulfilling the Order, at which point the Contract shall come into existence.

2.4 If there is any conflict between the terms set out in the Conditions and the Order, the terms set out in the Order shall take precedence.

### 3. The Goods

3.1 The Supplier shall ensure that the Goods shall:

- (a) correspond with their description and any applicable Specification;
- (b) be of satisfactory quality and fit for any purpose held out by the Supplier or made known to the Supplier by Devro;
- (c) be free from defects in design, material and workmanship and remain so for 12 months after delivery; and
- (d) comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods and the Mandatory Policies.

3.2 The Supplier shall ensure that at all times it has and maintains all the licences, permissions, authorisations, consents and permits that it needs to carry out its obligations under the Contract.

3.3 Devro may inspect and test the Goods at any time before delivery. The Supplier shall remain fully responsible for the Goods despite any such inspection or testing.

3.4 If following such inspection or testing Devro considers that the Goods do not conform or are unlikely to comply with the Supplier's undertakings at clause 3.1, Devro shall inform the Supplier and the Supplier shall immediately take such remedial action as is necessary to ensure compliance.

3.5 Devro may conduct further inspections and tests after the Supplier has carried out its remedial actions.

#### 4. The Services

4.1 The Supplier shall from the date set in the Order and for the duration of the Contract provide the Services to Devro in accordance with the terms of the Contract.

4.2 The Supplier shall meet any performance dates for the Services specified in the Order or that Devro notifies to the Supplier.

4.3 In providing the Services, the Supplier shall:

- (a) co-operate with Devro in all matters relating to the Services, and comply with all instructions of Devro;
- (b) perform the Services with the best care, skill and diligence in accordance with best practice in the Supplier's industry, profession or trade;

(c) use personnel who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Supplier's obligations are fulfilled in accordance with the Contract;

(d) ensure that the Services will conform with all descriptions, standards and specifications set out in the Specification, and that the Deliverables shall be fit for any purpose that Devro makes known to the Supplier;

(e) provide all equipment, tools and vehicles and such other items as are required to provide the Services;

(f) use the best quality goods, materials, standards and techniques, and ensure that the Deliverables, and all goods and materials supplied and used in the Services or transferred to Devro, will be free from defects in workmanship, installation and design;

(g) obtain and at all times maintain all licences and consents which may be required for the provision of the Services;

(h) comply with all applicable laws, regulations, regulatory policies, guidelines or industry codes which may apply from time to time to the provision of the Services, and with the Mandatory Policies;

(i) observe all health and safety rules and regulations and any other security requirements that apply at any of Devro's premises;

(j) hold all materials, equipment and tools, drawings, specifications and data supplied by Devro to the Supplier (**Devro Materials**) in safe custody at its own risk, maintain the Devro Materials in good condition until returned to Devro, and not dispose or use the Devro Materials other than in accordance with Devro's written instructions or authorisation; and

(k) not do or omit to do anything which may cause Devro to lose any licence, authority, consent or permission on which it relies for the purposes of conducting its business, and the Supplier acknowledges that Devro may rely or act on the Services.

#### 5. Delivery of Goods

5.1 The Supplier shall ensure that:

(a) the Goods are properly packed and secured in such manner as to enable them to reach their destination in good condition;

(b) each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, the Order number (if any), the type and

quantity of the Goods (including the code number of the Goods, where applicable), special storage instructions (if any) and, if the Goods are being delivered by instalments, the outstanding balance of Goods remaining to be delivered; and

- (c) if the Supplier requires Devro to return any packaging material to the Supplier, that fact is clearly stated on the delivery note. Any such packaging material shall be returned to the Supplier at the cost of the Supplier.

5.2 The Supplier shall deliver the Goods:

- (a) on the Delivery Date;
- (b) at the Delivery Location; and
- (c) during Devro's normal business hours, or as instructed by Devro.

5.3 Delivery of the Goods shall be completed on the completion of unloading the Goods at the Delivery Location.

## 6. Devro remedies

6.1 If the Goods are not delivered on the Delivery Date, or do not comply with the undertakings set out in clause 3.1 or if the Supplier fails to perform the Services by the applicable dates or fails to perform the Services in accordance with clause 4.3, then, without limiting any of its other rights or remedies, and whether or not it has accepted the Goods and/or Services, Devro may exercise any one or more of the following rights and remedies:

- (a) to terminate the Contract with immediate effect by giving written notice to the Supplier;
- (b) to reject the Goods (in whole or in part) and return them to the Supplier at the Supplier's own risk and expense;
- (c) to refuse to accept any subsequent performance of the Services which the Supplier attempts to make;
- (d) to require the Supplier to repair or replace the rejected Goods, or to provide a full refund of the price of the rejected Goods;
- (e) to refuse to accept any subsequent delivery of the Goods which the Supplier attempts to make;
- (f) to require the Supplier to provide repeat performance of the Services, or to provide a full refund of the price paid for the Services;

- (g) to recover from the Supplier any costs incurred by Devro in obtaining substitute goods or services from a third party; and

- (h) to claim damages for any other costs, loss or expenses incurred by Devro which are in any way attributable to the Supplier's failure to carry out its obligations under the Contract.

6.2 These Conditions shall apply to any repaired or replacement Goods supplied by the Supplier and/or any substituted or remedial Services provided by the Supplier.

6.3 Devro's rights and remedies under these Conditions are in addition to its rights and remedies implied by statute and common law.

## 7. Title and risk

Title and risk in the Goods shall pass to Devro on completion of delivery.

## 8. Price and payment

8.1 The price of the Goods shall be the price set out in the Order and the price of the Services shall be the price set out in the Order and shall be the full and exclusive remuneration of the Supplier in respect of the performance of the Services. Unless otherwise agreed in writing by Devro, the charges shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services.

8.2 The price of the Goods and/or Services:

- (a) excludes amounts in respect of VAT, GST or Sales Tax, which Devro shall additionally be liable to pay to the Supplier at the prevailing rate, subject to the receipt of a valid VAT invoice; and
- (b) includes the costs of packaging, insurance and carriage of the Goods.

8.3 No extra charges shall be effective unless agreed in writing with Devro.

8.4 The Supplier may invoice Devro for price of the Goods and/or Services plus VAT, GST or Sales Tax at the prevailing rate (if applicable) on or at any time after the completion of delivery or on completion of the Services.

8.5 Devro shall pay correctly rendered invoices within 60 days of receipt of the invoice. Payment shall be made to the bank account nominated in writing by the Supplier.

8.6 If Devro fails to make any payment due to the Supplier under the Contract by the due date for payment and has continued to fail to make such payment after 14 days from written notification of the delay from the Supplier, then Devro shall pay interest on the overdue amount at the rate of 4% per annum above the Bank of England's base rate from time to time (but at 4% a year for any period when that base rate is below 0%) unless applicable law requires Devro to pay a higher rate of interest in which case such higher rate shall apply. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. This clause shall not apply to and no interest shall be paid in respect of payments Devro disputes in good faith.

8.7 Devro may at any time, without limiting any of its other rights or remedies, set off any liability of the Supplier to Devro against any liability of Devro to the Supplier.

8.8 The Supplier shall maintain complete and accurate records of the time spent and materials used by the Supplier in providing the Services, and shall allow Devro to inspect such records at all reasonable times on request.

## 9. Devro materials

9.1 The Supplier acknowledges that all materials, equipment and tools, drawings, Specifications, and data supplied by Devro to the Supplier (**Devro Materials**) and all rights in Devro material are and shall remain the exclusive property of Devro.

9.2 All Intellectual Property Rights in or arising out of or in connection with the Services (other than Intellectual Property Rights in any Devro Materials) shall be owned by the Supplier.

9.3 The Supplier grants to Devro, or shall procure the direct grant to Devro of, a fully paid-up, worldwide, non-exclusive, royalty-free, perpetual and irrevocable licence to use, copy and modify the Deliverables (excluding Devro Materials) for the purpose of receiving and using the Services and the Deliverables.

9.4 Devro grants to the Supplier a fully paid-up, non-exclusive, royalty-free non-transferable licence to use any Intellectual Property Rights in the Devro Materials for the term of the Contract for the sole purpose of providing the Services to Devro.

## 10. Devro obligations

Devro shall:

- (a) provide the Supplier with reasonable access at reasonable times to Devro's premises for the purpose of providing the Services; and
- (b) provide such necessary information for the provision of the Services as the Supplier may reasonably request.

## 11. Indemnity

11.1 The Supplier shall keep Devro indemnified against all liabilities, costs, expenses, damages and losses and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered or incurred by Devro as a result of or in connection with:

- (a) any claim made against Devro for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with the supply or use of the Goods and/or Services, to the extent that the claim is attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors;
- (b) any claim made against Devro by a third party for death, personal injury or damage to property arising out of or in connection with defects in Goods, to the extent that the defects in the Goods are attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors; and
- (c) any claim made against Devro by a third party arising out of or in connection with the supply of the Goods, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Supplier, its employees, agents or subcontractors.

11.2 This clause 11 shall survive termination of the Contract.

## 12. Limitation of Liability

12.1 Nothing in the Contract shall limit or exclude either party's liability for:

- (a) death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors (as applicable);
- (b) fraud or fraudulent misrepresentation; or
- (c) any matter in respect of which it would be unlawful for either party to exclude or restrict liability.

12.2 Subject to clause 12.1, each party's total liability to the other party for all other losses arising under or in connection with the Contract, whether in

contract, tort (including negligence), breach of statutory duty, or otherwise, shall be limited to 200% of the value of the total Goods and/or Services purchased by Devro during the 12 months preceding the date on which the claim arose. This limit shall not apply to:

- (i) any claims in respect of the indemnity provided by the Supplier contained in clause 11; or
- (ii) any breach of clauses 14 and 15 by the Supplier.

12.3 Neither party shall be liable to the other for any: (a) loss of goodwill or injury to reputation; (b) loss of business opportunity; (c) loss of revenue or profits; (d) or any other indirect, consequential or special loss or damage, arising under or in connection with the Contract.

12.4 This clause 12 shall survive termination of the Contract.

### **13. Insurance**

During the term of the Contract and for a period of 3 years thereafter, the Supplier shall maintain in force, with a reputable insurance company, product liability insurance and public liability insurance to cover the liabilities that may arise under or in connection with the Contract, and shall, on Devro's request, produce both the insurance certificate giving details of cover and the receipt for the current year's premium in respect of each insurance.

### **14. Confidentiality**

Each party undertakes that it will not at any time hereafter use, divulge or communicate to any person, except to its professional representatives or advisers or as may be required by law or any legal or regulatory authority, any confidential information of the other party which may have come to its knowledge as part of the Contract and each of the parties shall use its reasonable endeavours to prevent the publication or disclosure of any confidential information concerning such matters. This clause 14 shall survive termination of the Contract.

### **15. Compliance with relevant laws and policies**

15.1 In performing its obligations under the Contract, the Supplier shall: (a) comply with all applicable laws, statutes, regulations from time to time in force; and (b) comply with the Mandatory Policies.

15.2 If the Supplier is required to enter the premises of Devro at any time as part of the Contract, the Supplier shall comply with all reasonable instructions given by Devro including security and health and safety requirements.

### **16. Termination**

16.1 Devro may terminate the Contract in whole or in part at any time before delivery with immediate effect by giving the Supplier written notice, whereupon the Supplier shall discontinue all work on the Contract. Devro shall pay the Supplier fair and reasonable compensation for any work in progress on the Goods and/or Services at the time of termination, but such compensation shall not include loss of anticipated profits or any consequential loss.

16.2 Without limiting its other rights or remedies, Devro may terminate the Contract with immediate effect by giving written notice to the Supplier if:

- (a) the Supplier commits a material breach of any term of the Contract and (if such a breach is remediable) fails to remedy that breach within 5 days of that party being notified in writing to do so;
- (b) the Supplier takes any step or action in connection with its entering administration, provisional liquidation or any composition or arrangement with its creditors (other than in relation to a solvent restructuring), being wound up (whether voluntarily or by order of the court, unless for the purpose of a solvent restructuring), having a receiver appointed to any of its assets or ceasing to carry on business or, if the step or action is taken in another jurisdiction, in connection with any analogous procedure in the relevant jurisdiction;
- (c) the Supplier takes any step or action in connection with the Supplier being made bankrupt, entering any composition or arrangement with its creditors, having a receiver appointed to any of its assets, or ceasing to carry on business;
- (d) the Supplier suspends, or threatens to suspend, or ceases or threatens to cease to carry on all or a substantial part of its business; or
- (e) the Supplier's financial position deteriorates to such an extent that in Devro's opinion the Supplier's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy.

On termination of the Contract for any reason, the Supplier shall immediately deliver to Devro all Deliverables whether or not then complete, and return all Devro Materials. If the Supplier fails to do so, then Devro may enter the Supplier's premises and take possession of them. Until they have been returned or delivered, the Supplier shall be solely responsible for their safe keeping and will not use them for any purpose not connected with the Contract.

16.3 Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination.

16.4 Clauses that expressly or by implication survive termination of the Contract shall continue in full force and effect.

## 17. Force majeure

Neither party shall be in breach of the Contract nor liable for delay in performing, or failure to perform, any of its obligations under it if such delay or failure results from an event, circumstance or cause beyond its reasonable control. If the period of delay or non-performance continues for more than one month, the party not affected may terminate the Contract by giving 7 days written notice to the affected party.

## 18. General

### 18.1 Assignment and other dealings

- (a) Devro may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with any or all of its rights or obligations under the Contract.
- (b) The Supplier may not assign, transfer, mortgage, charge, declare a trust over or deal in any other manner with any or all of its rights or obligations under the Contract without the prior written consent of Devro.

18.2 **Subcontracting.** The Supplier may not subcontract any or all of its rights or obligations under the Contract without the prior written consent of Devro. If Devro consents to any subcontracting by the Supplier, the Supplier shall remain responsible for all the acts and omissions of its subcontractors as if they were its own.

18.3 **Entire agreement.** The Contract constitutes the entire agreement between the parties.

18.4 **Variation.** Except as set out in these Conditions, no variation of the Contract shall be effective unless it is agreed in writing and signed by Devro.

18.5 **Waiver.** No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy.

18.6 **Severance.** If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable and this shall not affect the validity and enforceability of the rest of the Contract.

18.7 **Notices.** Any notice given to a party under or in connection with the Contract shall be in writing addressed to that party at their registered office address or the email address commonly used by that party and shall be

delivered personally, sent by pre-paid first class post or other next working day delivery service, or commercial courier, or email. A notice shall be deemed to have been received: (a) if delivered personally, when left at the registered office address; (b) if sent by pre-paid first class post or other next working day delivery or courier service, at 9.00 am on the second business day after posting; (c) or, if sent by email, one business day after transmission. The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action.

18.8 **Audit.** If Devro gives at least 7 business days' notice, Devro (or its professional advisers) may during usual business hours:

- (a) enter and inspect the Supplier's premises; and
- (b) inspect, audit and take copies of relevant records, and other documents as necessary to verify the Supplier's compliance with the terms and conditions of the Contract.

18.9 **English Language.** This Contract is drafted in the English language. If this Contract is translated into any other language and made available by Devro, the English language version shall always prevail.

18.10 **Third party rights.** No one other than a party to the Contract shall have any right to enforce any of its terms.

18.11 **Governing law.** The Contract, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law set out in the Annex.

18.12 **Jurisdiction.** Each party irrevocably agrees that the courts set out in the Annex shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Contract or its subject matter or formation.

**ANNEX – COUNTRY SPECIFIC TERMS AND CONDITIONS**

**1. Australia**

The following terms shall apply to any Order originating from Devro Pty Limited (this includes any Order originating from the Devro business unit based in New Zealand):

<b>Devro Contacting Entity</b>	Devro Pty Limited (No. CAN 050 095 755) Registered Address: 139 Sydney Road, Kelso, NSW, 2795, Australia
<b>Governing Law</b>	New South Wales
<b>Jurisdiction</b>	The courts of New South Wales

**2. China**

The following terms shall apply to any Order originating from Devro (Nantong) Technology Co., Limited:

<b>Devro Contacting Entity</b>	Devro (Nantong) Technology Co., Limited a company duly organized and existing under the laws of People's Republic of China Registered Address: No 329, Xinxing East Road, Nantong Economic and Technological Development Area, Nantong, Jiangsu, People's Republic of China
<b>Governing Law</b>	China
<b>Jurisdiction</b>	The courts of China

**3. Czech Republic**

The following terms shall apply to any Order originating from Devro S.R.O.:

<b>Devro Contacting Entity</b>	Devro S.R.O. (No. C19560) Registered Address: Vichovská 830, 514 19 Jilemnice, Czech Republic
<b>Governing Law</b>	Czech Republic
<b>Jurisdiction</b>	The courts of the Czech Republic

**4. Japan**

The following terms shall apply to any Order originating from Devro KK:

<b>Devro Contacting Entity</b>	Devro KK (No. 0100-01-051259) Registered Address: Yasuda Shibaura Building, No 2, 3-2-12, Kaigan Minato-ku, Tokyo, 108-0022 Japan
<b>Governing Law</b>	Japan
<b>Jurisdiction</b>	The courts of Japan

**5. Netherlands**

The following terms shall apply to any Order originating from Devro B.V.:

<b>Devro Contacting Entity</b>	Devro B.V. (No. 10041845) Registered Address: Willem Alexanderstraat 9, 6691 EE Gendt, Netherlands
<b>Governing Law</b>	Dutch Law
<b>Jurisdiction</b>	The Competent Court of Amsterdam, the Netherlands

**6. UK**

The following terms shall apply to any Order originating from Devro (Scotland) Limited:

<b>Devro Contacting Entity</b>	Devro (Scotland) Limited (No. SC129787) Registered Address: Moodiesburn, Chryston, Scotland G69 0JE
<b>Governing Law</b>	England and Wales
<b>Jurisdiction</b>	The courts of England and Wales

**7. USA**

The following terms shall apply to any Order originating from Devro, Inc:

<b>Devro Contacting Entity</b>	Devro, Inc (State ID Number: 0763710) Registered Address: Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, US
<b>Governing Law</b>	State of South Carolina
<b>Jurisdiction</b>	The state and federal courts located in Columbia, South Carolina

**8. Global**

The following terms shall apply to any Order originating from Devro Plc:

<b>Devro Contacting Entity</b>	Devro Plc (No. SC129785) Registered Address: Moodiesburn, Chryston, Scotland, G69 0JE
<b>Governing Law</b>	England and Wales
<b>Jurisdiction</b>	The courts of England and Wales