

1. General

1.1 These General Conditions shall apply for all orders placed by Atlas Copco Korea Co. Ltd (hereafter "Atlas Copco") with Supplier, for the Supply of Products and/or Services, in the form of a Purchase Order.

1.2 Modifications or deviations from these General Conditions must be agreed in writing.

1.3 The terms and conditions in a written contract concluded for a specific project or in a Supply Agreement between the Parties take precedence over these General Conditions, but only to the extent such terms and conditions replace, partially or wholly, terms and conditions in these General Conditions.

1.4 These General Conditions shall be deemed to be accepted by Supplier at the moment of acceptance of the order unless Supplier objects in writing within eight (8) calendar days specifying the non-accepted term or condition.

1.5 Acceptance of a Purchase Order will have the effect that Supplier renounces any application of the provisions of his general or special conditions of sale, even if these conditions stipulate that they are solely valid. Supplier undertakes to object in writing in accordance with clause 1.4 if he does not accept this condition.

2. Delivery

2.1 Supplier shall deliver each of Atlas Copco's Purchase Orders for the requested Products and/or Services on or before the date specified in the Purchase Order according to Atlas Copco's safety prescriptions applicable on site at any delivery point mentioned in the Purchase Order.

2.2 Supplier shall bear all costs of transportation and insurance of the Products and Services that are to be delivered. The applied freight terms will be incoterm DDP

(Delivery Duty Paid) Incoterm 2020, unless specified otherwise in the Purchase Order.

2.3 Without prejudice to Atlas Copco's other rights included in these General Conditions, at Atlas Copco's sole discretion, if the Products and/or Services are not delivered on the agreed delivery date, Atlas Copco shall be entitled to liquidated damages from the date on which the delivery should have taken place. Unless specified otherwise in the relevant Purchase Order or Quotation, the liquidated damages shall be payable at a rate of 0.5% of the purchase price of the relevant Purchase Order for each commenced week of delay. The liquidated damages shall not exceed 10% of the purchase price. If the delay in delivery is such that Atlas Copco is entitled to the maximum amount of liquidated damages and if the Products and/or Services are still not delivered, Atlas Copco may in writing demand delivery within a final reasonable period which shall be not less than one week. If Supplier does not deliver within such final period and this is not due to any circumstances which are attributable to Atlas Copco, then Atlas Copco may by notice in writing to Supplier terminate the relevant Purchase Order. If Atlas Copco terminates the Purchase Order, Atlas Copco shall be entitled to compensation for the loss it suffered as a result of Suppliers delay.

3. Price

3.1 The price payable for each Product and/or Services shall be Supplier's all-inclusive price including but not limited to all charges for packaging, insurance, shipping, delivery and all duties, licenses, permits and taxes other than value added tax or other applicable sales tax. Any price changes shall be agreed upon by both parties in writing.

4. Payment

4.1 Atlas Copco will pay Supplier's invoices within 60 days of the invoice date via Electronic Fund Transfer.

4.2 Invoices shall only be issued by Supplier following a complete delivery of the relevant

Products and/or Services to Atlas Copco or according to the in the Purchase Order specified phased payment conditions.

4.3 Invoices will be consolidated on a monthly basis per operational company, which is mentioned in the relevant Purchase Order. The invoices shall only be payable if the Products and/or Services are duly completed and the necessary information on the invoice is accurate, including but not limited to the official Purchase Order number and order line.

4.4 Atlas Copco may withhold payment of any disputed or insufficiently documented amount included in any invoice after sending an invoice dispute notice within 30 working days after receipt of the invoice.

5. Transfer of risk and title

5.1 The title and risk to the Products transfers to Atlas Copco upon delivery in accordance with the applicable Incoterm.

6. Termination of a Purchase Order

6.1 Without prejudice to any other rights it may have, either Party shall be entitled to terminate or cancel any Purchase Order immediately by giving written notice to the other Party:

- If there is a material breach (which includes repeated breaches) of a term of these conditions or the terms set forth in the relevant Purchase Order, provided that in cases where such a breach is remediable, the failing Party has not remedied – at his expense – the breach within thirty (30) days from the date of the written notification by the non-failing Party of such breach;
- If a Party becomes bankrupt, ceases payments, applies for company restructuring, goes into liquidation, has been appointed a receiver or trustee with respect to any of its assets, or otherwise may be considered to be insolvent; or
- If a Party ceases to carry on business.

6.2 Atlas Copco shall have a discretionary right to terminate a Purchase Order with immediate effect in case of change of control of Supplier, meaning (i) any consolidation, merger or other reorganization of Supplier, (ii) any sale, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of Supplier, (iii) any vote or other consent of the stockholders of Supplier to approve any plan or proposal for the liquidation or dissolution of Supplier, or (iv) any change of the ownership of Supplier, which in the sole discretion of Atlas Copco would be detrimental to or otherwise have a negative effect on the due fulfilment of a Purchase Order by Supplier.

7. Warranty

7.1 Supplier warrant that the Products and/or Services shall not have any visible, invisible, or hidden defect caused by faulty materials, workmanship, or design and that they are suitable for the intended purpose as know by Supplier.

7.2 Supplier's warranty is for a period of 36 months calculated from the date of delivery to Atlas Copco, unless otherwise agreed in the Purchase Order. During the warranty period and for defects for which Supplier is liable, a completely free of charge replacement of all defective Products and/or Services will be made by Supplier, including transport and handling costs of the replacement Products, to Atlas Copco's site or to Atlas Copco's customer site, whichever is applicable, in accordance with instructions to be given by Atlas Copco.

7.3 A Product and/or Service that is replaced by virtue of this article, shall be covered by the same warranty term and conditions as the original Product and/or Service, starting from the date of replacement.

7.4 Supplier shall without delay initiate and execute corrective actions in order to rectify reported quality problems during the warranty period. If Supplier fails to initiate and/or execute such corrective actions within the time frame defined for such actions despite

notification of Atlas Copco, Atlas Copco may, by written notice, set a final date for the completion of Supplier's actions. If Supplier fails to fulfill its obligations during this final time frame, Atlas Copco may appoint or employ a third party to undertake necessary remedial actions at the risk and expense of Supplier. Where remedial actions have been undertaken by Atlas Copco or a third party, Supplier shall be obliged to reimburse Atlas Copco for all costs incurred.

8. Liabilities, indemnification, and insurance

8.1 Supplier shall indemnify and hold harmless Atlas Copco from and against any liability, loss, cost (including reasonable legal fees), expense, damage, death or injury arising in direct consequence of any defect in Supplier's Product and/or Service that causes the Product and/or Service to be less safe than may reasonably be expected.

8.2 Supplier shall be liable for damages suffered by Atlas Copco or third parties as a result of actions or omissions by Supplier, Supplier's personnel, or the parties that Supplier engages to perform a Purchase Order. Supplier shall fully indemnify Atlas Copco against any claims by third parties for compensation for damages arising from Supplier's liability within the meaning given above.

8.3 Neither Party shall be liable for any indirect or consequential damages and/or losses, including but not limited to loss of profit, loss of revenue, loss of opportunity or loss of time, unless in case of gross negligence or willful misconduct or in the event of a confidentiality breach or third-party intellectual property right infringement.

8.4 Supplier shall arrange and maintain, at its own cost, all necessary insurance on terms satisfactory to Atlas Copco. Atlas Copco may require Supplier to provide a copy of its insurance certificate(s).

9. Intellectual Property Rights

9.1 All intellectual property rights, including but not limited to patent rights, copyrights, trademark rights and suchlike, which belong to a Party prior to the placement of a Purchase Order are to remain the property of that Party.

9.2 Supplier remains the owner of all intellectual property rights to materials as well as parts of these, which Supplier had already developed prior to the placement of a Purchase Order. Supplier grants Atlas Copco a non-exclusive, unlimited, irrevocable, global, transferable, sub-licensable, royalty-free licence for these materials in as much as these materials form part of the Products and/or Services under the relevant Purchase Order. The aforesaid license is granted for all means of exploitation. The license is intended to provide Atlas Copco free and unlimited use of the Products and/or Services. The price agreed for such Products and/or Services includes the use of the aforementioned licence.

9.3 Supplier transfers all intellectual property rights to the materials and designs, which are developed in the context of the execution of a Purchase Order, in full ownership and irrevocably to Atlas Copco, and this immediately and unconditionally from such time as these materials are developed. Supplier shall conclude the agreements required for this with its personnel. The price received by Supplier is intended as remuneration for this transfer. Supplier understands, when Atlas Copco requests this, to sign each document or to satisfy each formality, which may be reasonably required in order to perform the aforementioned transfer. Atlas Copco grants Supplier a non-exclusive, non-transferable licence to use these materials and designs only in as far as necessary for the execution of Supplier's obligations under the Purchase Order.

9.4 Supplier warrants that the sale, possession, resale or use of the Products and/or the performance of the Services to be supplied do not infringe any third party intellectual property rights including patents, designs(whether registered or not), copyright, trade and service

marks (whether registered or not), and undertakes to indemnify Atlas Copco, its employees, officers, servants, agents, successors, assignees and customers (“the Indemnified Parties”) against all royalties or license fees (to the extent not specifically provided for) and against all damages, expenses, losses or costs suffered by the Indemnified Parties in respect of any breach of this warranty. Supplier will give the Indemnified Parties all such support and assistance as the Indemnified Parties reasonably require in defending a claim that the Products and/or Services infringe any third-party intellectual property rights. If it should come to Atlas Copco’s knowledge that a claim may be granted under this warranty, Atlas Copco reserves the right to terminate the relevant Purchase Order forthwith on written notice and without any liability.

10. Confidentiality

10.1 The Parties shall always remain confidential and shall never disclose, copy, nor use for purpose other than the performance of a Purchase Order, any information which relates to the other Party’s business affairs, trade secrets, technology, pricing, reports and other confidential documents. Both parties are responsible for the acts of their employees or agents whether or not the breach occurred during the employment or business relationship.

10.2 The confidentiality and non-use undertaking shall not apply to (i) information that must be disclosed to competent authorities through mandatory provisions of law, in which case the other Party must be informed of this request and subsequent disclosure; (ii) to information that is publicly available; and (iii) information that has become available to the receiving Party in good faith from other sources. Exceptions to these rules require written approval of the Parties.

10.3 The name of Atlas Copco or Supplier, as well as their tradenames, trademarks, or other denominations, may not be used by either Party

in any publication of any kind without the prior written consent of the other Party.

10.4 The confidentiality and non-use undertakings in this article shall survive the termination of the co-operation between the Parties.

11. Force Majeure

11.1 Neither Party shall have any liability whatsoever toward the other party or be deemed to be in default as a result of any delay or failure in performing its obligations to the extent that any such delay or failure arises from causes beyond the reasonable control of such Party, including, but not limited to, acts of God, acts or regulations of any governmental or supra-national authority, war or national emergency, fire, riot, national or regional strikes, lock-outs or industrial disputes.

12. Certification

11.1 Supplier shall provide a copy of any active certification it has. For Suppliers using the Be2Net-platform, a copy may be uploaded on Be2Net. All other Suppliers will email a copy of the active certifications to Atlas Copco.

13. Sustainability

12.1 Atlas Copco’s sustainability objectives encompass but are not limited to reducing environmental impact, ensuring ethical labor practices, and driving social and economic well-being.

12.2 Supplier shall comply with all relevant environmental laws and regulations, including waste disposal, emissions, and energy efficiency standards, as well as any applicable labor laws and regulations. Supplier shall engage in third-party audits to validate their sustainability efforts. The internationally recognized standard ISO 14001 for environmental management is a hard requirement from Atlas Copco. ISO 45001 for health and safety and ISO 50001 for energy management are strongly encouraged. Supplier shall actively work toward reducing their environmental impact, including but not limited

to setting targets for reducing energy consumption, carbon emissions, water usage, and waste generation. Supplier is expected to seek opportunities for continuous improvement in sustainability practices. This includes regularly reviewing and enhancing processes to minimize environmental impact and improve social responsibility.

12.3 Supplier shall permit Atlas Copco to conduct periodic audits to evaluate compliance with sustainability requirements. Non-compliance may result in corrective action.

12.4 Supplier agrees to be transparent about their sustainability practices and performance. They should provide regular reports on sustainability metrics, including data on energy consumption, emissions, waste reduction, ethical labor practices and other relevant KPI's.

14. Applicable law

The relationship between the Parties shall be governed by the laws of South Korea, excluding its conflict of law rules.

15. Dispute resolution

The Seoul Central District Court of Korea shall have the exclusive jurisdiction to settle all disputes arising out of or in connection with the relations between the Parties.