

Aalborg Portland A/S' Standard Terms of Purchase

1. APPLICABILITY

1.1 The following standard terms of purchase (the "Standard Terms") apply to all purchases of equipment, products and/or services and repair services made by Aalborg Portland A/S ("Aalborg Portland") with any third party (the "Supplier") unless any other written agreement has been entered into with Aalborg Portland. The Supplier's terms and conditions of sale and delivery will not be applicable to Aalborg Portland unless expressly accepted in writing by Aalborg Portland.

1.2 The complete contractual basis (the "Agreement") between the parties is set out in these Standard Terms, Aalborg Portland's Purchase Order regarding the specific purchase, including any annexes (the "Purchase Order") and the Supplier's offer if this is expressly stated in the Purchase Order.

1.3 Changes to the Purchase Order and offer are valid only if they have been agreed in writing between the parties in the form of a supplement to the Purchase Order.

2. SCOPE AND PERFORMANCE OF SERVICES

2.1 The Supplier shall provide all associated services etc. required for the delivery of the services in accordance with the requirements of the Purchase Order and its annexes.

2.2 The Supplier shall provide all necessary tools, materials, equipment etc., including personal protective equipment free of charge in connection with the delivery of the services.

2.3 Additional services, in addition to the services stated in the Purchase Order, must only be performed by prior written agreement with Aalborg Portland.

2.4 The Supplier is responsible in all respects for arranging the delivery of the services in such a way that the services are performed by taking all necessary health and safety measures and in accordance with all working environment requirements, cf. clause 8.

2.5 Throughout the contract period, the Supplier is obliged to comply with Aalborg Portland's Supplier Code of Conduct. The Supplier Code of Conduct in force at any time can be found on Aalborg Portland's website (www.aalborgportland.dk/om-aalborg-portland/vores-politikker/).

3. RELIABILITY OF DELIVERY AND NOTIFICATION OF COMPLETION

3.1 The Supplier shall provide the services covered by the Purchase Order in accordance with the time schedule set out in the Purchase Order.

3.2 As reliability of delivery is essential to Aalborg Portland to ensure a continuous cement production at Aalborg Portland, the Supplier warrants that the Supplier is able to deliver and complete a delivery of the services according to the agreed time schedule and within normal working hours at Aalborg Portland's plant.

3.3 Delivery is considered completed when the equipment or products have been delivered at the plant specified in the Purchase Order. However, in case of delivery of services or repair services, delivery is considered completed when the Supplier has reported that the delivery has been completed, and Aalborg Portland has inspected the Supplier's services and approved in writing that the services have been delivered in accordance with the Purchase Order.

3.4 If Aalborg Portland accepts the completion of a delivery regardless of any defects, any such defects must be reported on a list. Failure to record any defects on such a list will not result in the forfeiture of Aalborg Portland's claim for remedy of the defects. The Supplier shall remedy any such defects without undue delay. In case of equipment and products, the defects must be remedied by replacement.

3.5 If the defect has not been remedied within a reasonably agreed time, Aalborg Portland may demand that the defect be remedied by a third party at the Supplier's expense. In case of equipment and products, Aalborg Portland is entitled to purchase such from a third party at the Supplier's expense.

3.6 If the Supplier has not completed a delivery (including delivery of documentation) within the time of delivery as agreed between the parties, Aalborg Portland is entitled to enter into an agreement with any third party for the full or partial delivery of the service at the Supplier's expense.

3.7 If a delay in delivery is due to an act or omission by Aalborg Portland, change in the extent or nature of the delivery, a new time of delivery must be agreed on, or the time of delivery must be postponed to an extent deemed reasonable under the circumstances.

4. DEFECTS AND REMEDYING OF DEFECTS

4.1 A defect exists in the Supplier's delivery of the services if the services do not meet the requirements as set out in the Agreement or if the Supplier's services in general are not of a nature as Aalborg Portland may reasonably expect.

4.2 The Supplier shall remedy any defect without undue delay by carrying out repairs or replacement.

4.3 The remedying of defects, including the completion of repairs during the warranty period, will be carried out at Aalborg Portland, unless the parties find it more expedient that the defective delivery is remedied elsewhere. Any dispatch in connection with repairs or replacement will be at the Supplier's expense and risk.

4.4 If the Supplier does not perform its obligations with respect to the remedying of defects within a reasonable period of time, Aalborg Portland is entitled to set a new time limit for the completion of the remedial actions. In the event that the remedial actions have not been completed before the expiry of the new time limit, Aalborg Portland is entitled to have the necessary repairs or replacements carried out at the Supplier's expense.

4.5 Aalborg Portland is entitled to refuse any delivery which does not meet the requirements as set out in the Purchase Order. Expenses for purposes such as, but not limited to, administration, dismantling, remedy, repair, disposal etc., which are due to defective delivery of services, must be fully compensated for by the Supplier.

4.6 In addition to the above provisions, Aalborg Portland will have the remedies for breach as laid down in the general rules of Danish law applicable in the event of any defect.

5. DOCUMENTATION

5.1 If the supplier's provision of services involves the reconstruction or alteration of Aalborg Portland's facilities, Aalborg Portland will be entitled to request that the supplier prepares documentation which can form the basis of Aalborg Portland's facility/plant documentation.

5.2 The supplier shall free of charge provide any documentation, including certificates, drawings and other technical documents required for Aalborg Portland to make use of the equipment, products or services/operate and maintain its facility.

5.3 The above documentation must be available no later than at the time of delivery, cf. clause 3.3.

5.4 Any documentation, including drawings, other technical documents etc. which are submitted to Aalborg Portland under the Agreement will be considered the property of Aalborg Portland.

6. REGULATORY REQUIREMENTS AND AUTHORISATIONS

6.1 The Supplier undertakes to provide all required regulatory authorisations and permits for the Supplier's services prior to delivery. Aalborg Portland will not be responsible for the payment of the costs related thereto.

6.2 The Supplier warrants that the Supplier will meet any public regulatory requirements (including EU regulations) applicable to the services, including compliance with all requirements relating to safety, environment and working environment. The Supplier shall make any documentation in this respect available immediately on Aalborg Portland's request.

7. QUALITY ASSURANCE AND AUDIT

7.1 Aalborg Portland is committed to optimising Aalborg Portland's cement products and environmental policy in relation to the production of cement,

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and Aalborg Portland is certified to DS/EN ISO 9001:2015, DS/EN ISO 14001:2015, DS/ISO 45001:2018 and DS/EN ISO 50001:2018.

7.2 Aalborg Portland is systematically working with quality, environment, energy, working environment and safety matters. Aalborg Portland's vision and policy on these areas are described in Aalborg Portland's Annual Environmental Report, which can be seen at Aalborg Portland's website (www.aalborgportland.com).

7.3 The Supplier shall have a quality assurance system which ensures that the services meet the quality requirements as set out in the Purchase Order and must at all times comply with the requirements of Aalborg Portland's Supplier Code of Conduct. Furthermore, Aalborg Portland emphasises the importance of the Supplier acting in a socially and environmentally responsible manner in connection with the performance of the Agreement.

7.4 Aalborg Portland may, at the Supplier's premises, conduct an audit of the relevant quality, environmental and working environment-related conditions which are connected with the Supplier's services to Aalborg Portland. The Supplier undertakes to provide the assistance necessary to complete such audit to a reasonable extent and without special compensation.

7.5 The audit will not entail any limitation of the liability of the Supplier in connection with the Supplier's performance of this Agreement.

7.6 The audit must be organised in such a way that any inconvenience to the Supplier is minimised as much as possible.

8. HEALTH AND SAFETY

8.1 In connection with any stay on Aalborg Portland's plant, the Supplier shall comply with Aalborg Portland's rules on traffic, health and safety applicable at any time as set out on Aalborg Portland's website (www.aalborgportland.dk/om-aalborg-portland/sikkerhed-og-arbejdsmiljoe/safety-sikkerheit/). The Supplier warrants that any and all of the Supplier's employees are familiar with Aalborg Portland's traffic, health and safety regulations at the plant and that its employees are familiar with the health and safety procedures outlined in Aalborg Portland's rules on traffic, health and safety applicable at any time. The Supplier shall be able to document evidence for this in accordance with Aalborg Portland's rules on traffic, health, and safety applicable at any time.

8.2 Health and safety are essential for Aalborg Portland. Failure of the Supplier's employees or subcontractors to comply with the rules on traffic, health and safety at Aalborg Portland's plant may result in a registered safety reprimand for the Supplier. Aalborg Portland reserves the right to demand a penalty of DKK 10,000 from the Supplier per registered safety reprimand.

8.3 In the event the Supplier's employees or subcontractors repeatedly fail to comply with the rules on traffic, safety and health or in the event of a severe non-compliance of said rules, Aalborg Portland reserves the right to suspend the work of the Supplier.

8.4 Aalborg Portland reserves the right to suspend any of the Supplier's employees or subcontractors who has received a registered safety reprimand. In severe cases, a breach in addition to a registered safety reprimand may also result in a suspension or sending home of the employee or subcontractor concerned from the plant.

8.5 Any suspension or sending home of the Supplier's employees and subcontractors and any suspension of the work will not exempt the Supplier from fulfilling its obligations under the Agreement.

9. TV SURVEILLANCE OF THE PLANT

9.1 As part of the security measures, Aalborg Portland collects personal data at the plant by way of TV surveillance.

9.2 To comply with the Danish Data Protection Act, the Supplier shall inform its employees and any subcontractors having access to Aalborg Portland's plant that TV surveillance is conducted as part of security measures at the plant.

10. THE SUPPLIER'S EMPLOYEES

10.1 The Supplier warrants that the Supplier's employees have the required authorisations, approvals and/or appointments to perform the tasks related to the provision of the services.

10.2 Any replacement of an employee must not result in any additional costs to Aalborg Portland.

11. USE OF SUB-SUPPLIERS

11.1 The Supplier is only entitled to use sub-suppliers upon the prior written consent of Aalborg Portland of such subcontractors.

11.2 The Supplier shall be fully liable and incur the same liability for the sub-supplier's services under this Agreement as for the Supplier's own employees.

12. PRICES

12.1 The agreed price for the services is specified in the Purchase Order.

12.2 The price is exclusive of VAT. No other taxes, duties, etc. - directly or indirectly - of any kind will be accepted as an addition to the price specified in the Purchase Order.

12.3 If the Supplier has submitted a price estimate or a rough calculation for delivery of the equipment, products, or services to Aalborg Portland and if the Supplier in connection with delivery foresees that the price estimate will be exceeded, the Supplier is required to inform Aalborg Portland in writing in due time before the estimate is exceeded and to inform about the reason for the exceeding. The Supplier cannot demand a fee higher than the estimate if the exceeding is due to circumstances that the Supplier ought to have foreseen to take place when submitting the estimate or calculation.

12.4 If Aalborg Portland does not receive information in writing about the changes to the price estimate/calculation in due time, the Supplier cannot require payment of the amount with which the price estimate/calculation has been exceeded.

13. TERMS OF PAYMENT

13.1 Invoicing can be made when the provision of the services has been completed and approved by Aalborg Portland. Invoices must be sent electronically to account@aalborgportland.com and must contain information on services and Purchase Order Number. Aalborg Portland is entitled to reject any invoices that do not contain such information.

13.2 Terms of payment are invoice month plus 65 calendar days from receipt of a satisfactory invoice.

13.3 If Aalborg Portland fails to perform its payment obligations under this Agreement, the Supplier is entitled to receive interest pursuant to the Danish Interest on Overdue Payments Act.

14. WARRANTY

14.1 The Supplier warrants that the Supplier's services, including documentation, will be provided in accordance with the requirements as set out in the Agreement.

14.2 The Supplier warrants that the Supplier's services will be performed in accordance with good practice within the scope of the Agreement.

14.3 The Supplier warrants that the fulfilment of the contractual requirements for qualified employees and maintaining employee resources in order for the Supplier to meet Aalborg Portland's service needs. Furthermore, the Supplier warrants that a number of fully adequate employees will be on standby to complete/perform the services within the agreed deadlines.

14.4 The warranty period corresponds to the period stipulated in the Purchase Order. If the equipment cannot be used during the warranty period due to defects, including time spent on repair, the warranty period will be proportionately extended by the same period of time during which the equipment could not be used.

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14.5	In case of failure of a warranty, the Supplier shall immediately arrange for the necessary remedying at its own expense.	17.4	Payment of delivery of the services will not imply Aalborg Portland's waiver of raising claims on the basis of errors and defects against the supplier.
15.	THE SUPPLIER'S DUTY OF NOTIFICATION	18.	FORCE MAJEURE
15.1	The Supplier shall give a written notification which must be substantiated vis-à-vis Aalborg Portland immediately when the Supplier ought to foresee that there is a risk that the provision of a service may be delayed or that this Agreement in general cannot be properly performed.	18.1	A party will not be liable in whole or in part for any breach of the Agreement in the event of a circumstance arising from proven force majeure, including but not limited to, any labour disputes (which do not involve the Supplier's employees), fire, war, mobilisation, upheaval and unrest, foreign exchange restrictions, import and export bans, outbreaks of diseases in the form of epidemics/pandemics resulting in lockdown of a considerable part of society, or any other events beyond the control of the parties which could not reasonably have been prevented, avoided or limited.
15.2	At the same time, the Supplier's notification must state the reason for the delay or the non-performance of this Agreement, and the notification must state the expected time of delivery to the extent possible.	18.2	In the event of force majeure, the party wishing to be exempted from liability shall notify the other party in writing of the fact and its significance without delay.
15.3	If the Supplier fails to give the above-mentioned notification to Aalborg Portland, the Supplier shall compensate Aalborg Portland for the additional expenses related to the failure to give notice.	19.	THIRD-PARTY RIGHTS
16.	TERMINATION FOR BREACH	19.1	The Supplier warrants that the delivered services do not infringe any intellectual property rights.
16.1	Aalborg Portland is entitled to terminate the Agreement in the event of any material breach. Aalborg Portland is entitled to terminate only part of this Agreement, or one or more orders. Further, Aalborg Portland is entitled to terminate the Agreement with respect to any future deliveries.	19.2	The Supplier shall indemnify Aalborg Portland against any claims brought forward by any third party alleging the infringement of patents, licences, trademarks, designs, copyright, etc., and for all costs incurred by Aalborg Portland arising out of or in connection therewith.
16.2	A material breach is deemed to exist in the following situations: <ul style="list-style-type: none">• In case of the Supplier's bankruptcy, unless the bankruptcy estate on the basis of a written request from Aalborg Portland not without undue delay declares that the estate will become a party to this Agreement.• In case of the solvent reconstruction of the Supplier, opening of composition negotiations or a significant deterioration of the Supplier's financial position endangering the proper performance of this Agreement.• In case of the Supplier's discontinuance of the business, which this Agreement is relating to, or the occurrence of any other event which is seriously endangering the proper performance of this Agreement.• If the Supplier fails to comply with Aalborg Portland's Supplier Code of Conduct, cf. Clause 2.5.• The Supplier, including its employees or sub-suppliers, receives more than 5 safety reprimands over a period of 12 months, cf. Clause 8. However, in the event of a severe breach, Aalborg Portland may terminate the Agreement immediately. Reporting of a work accident to the Danish Working Environment Authority is always considered a severe breach.	20.	ASSIGNMENT
16.3	In addition to the above situations, Aalborg Portland is entitled to terminate the Agreement if the Supplier has not made delivery within the time agreed upon by the parties.	20.1	Neither party is entitled to assign this Agreement or their rights or parts thereof or any obligations hereunder to any third party without the prior written consent of the other party.
17.	DAMAGES	21.	OWNERSHIP
17.1	The Parties will be liable to pay damages pursuant to the general rules of Danish law.	21.1	All products, samples, documents, and information provided by Aalborg Portland to the Supplier will remain the property of Aalborg Portland and Aalborg Portland may at any given time request the return thereof.
17.2	During the term of the Agreement, the Supplier shall maintain standard insurances for the coverage of claims under this Agreement. On Aalborg Portland's request, the Supplier shall provide evidence that this requirement has been met.	22.	CONFIDENTIALITY
17.3	The Supplier's product liability must be in compliance with the general rules of Danish law. Further, the Supplier undertakes to take out usual and adequate product liability insurance and to make the required documentation of such insurance available to Aalborg Portland. Such product liability insurance must be kept in force during the entire term of the guarantee. Any legal proceedings caused by claims regarding product liability can be instigated against the Supplier by Aalborg Portland in the same jurisdiction where any third party's litigation relating to product liability is conducted against Aalborg Portland.	22.1	The Supplier and its employees shall observe absolute confidentiality with regard to any matter brought to their knowledge in connection with this Agreement.
		22.2	This duty of confidentiality will continue to apply after the termination of this Agreement irrespective of the reason for such termination.
		22.3	The Supplier may include Aalborg Portland on its reference list, but the Supplier shall not otherwise be entitled to use Aalborg Portland's name for marketing purposes unless such use has been approved by Aalborg Portland in writing.
		23.	APPLICABLE LAW AND VENUE FOR DISPUTES
		23.1	Any dispute arising out of or in connection with this Agreement will be governed by and settled in accordance with Danish law except for the Danish private international law if this would lead to the application of a country's law other than Danish law.
		23.2	Disputes to be decided by the district court must be submitted to the District Court of Aalborg and cases to be decided by the high court must be brought before the Western Division of the Danish High Court as the agreed choice of venue and jurisdiction.