

General Terms and Conditions of Purchase of Weleda AG

As well as the subsidiaries Weleda Naturals GmbH, Weleda Services GmbH and Weleda Immobilien GmbH

1 Scope of application

- 1.1 These General Terms and Conditions of Purchase are applicable exclusively to enterprises in the sense of § 14 BGB (German Civil Code), i.e. those natural or legal persons or partnerships having separate legal personality that conclude legal transactions with us in pursuance of their trade or business or their professional activity of a self-employed person.
- 1.2 The terms and conditions (GTCP) stated below, are exclusively applicable to the business relations with our suppliers, including information and advice. After the inclusion of said GTCP in the business with our supplier they will be applicable also to all further business relations between the supplier and our company unless otherwise stipulated in writing. Any terms and conditions of the supplier will only be applicable in case and as far as they are expressly accepted by us in writing. Silence on our part concerning such differing terms and conditions shall especially not be deemed to be acceptance or consent, the same applies to future agreements.
- 1.3 General terms and conditions of the supplier are not included even in case the supplier refers to their applicability as standard on its offers/delivery documents within the scope of the business relations or by any other declaration. Silence on our part concerning such differing terms and conditions shall especially not be deemed to be acceptance or consent on our part.

2 Conclusion of contracts

- 2.1 Purchase orders, agreements as well as supplements and modifications are only binding if they are made or confirmed by us in writing. The supplier's order acknowledgement must reach us within two workdays. The purchase order is binding according to our terms and conditions unless the supplier expressly raises objections.
- 2.2 As far as the purchase order refers to the origin of the goods from a certain manufacturer, by the supplier's acknowledgement of said purchase order the origin characteristic of the goods ordered from the manufacturer stated on the purchase order is deemed to become a contracted characteristic of the ordered goods. In this case the supplier is not allowed to deliver goods from another manufacturer than indicated without contacting us in advance.

3 Drawings and other documents, secrecy

- 3.1 All drawings, samples, models, printing copies and other documents made available to the supplier for the execution of the purchase orders shall remain our property unless otherwise agreed upon and must not be passed on to third parties without our express consent. They have to be returned to us after fulfilment of the contract without delay and free of charge.
- 3.2 The supplier agrees to keep secret all in-plant information regarding our company and our products disclosed to him during the acceptance and execution of the purchase order. This applies especially to drawings, specifications, models, samples and other documents. This secrecy agreement will be effective as long as the business relations between the two parties exist and for another two years after the end of said relations by the supplier's last delivery. The secrecy agreement will not be applicable if said in-plant information (a) has been known to the supplier already before its disclosure and the supplier notifies us in writing or in text form about this immediately after disclosure of said information, or (b) has been known to the public due to publications or otherwise, or (c) has to be disclosed to third parties pursuant to legal provisions or government regulations, or (d) has to be disclosed to third parties for compelling reasons to enable the supplier to duly fulfil this contract. In the latter case the supplier has to oblige said third parties to the same secrecy as the supplier himself and to notify our company thereof promptly without being asked.
- 3.3 In providing the agreed service, it is possible that the supplier or its employees may gain knowledge of personal data. The supplier is obliged to secrecy and to maintain confidentiality for the performance of the agreed services. With regard to confidentiality and integrity, the supplier undertakes to comply with the requirements of the applicable data protection regulations in case of knowledge and processing of personal data and not to pass on personal data to third parties.

4 Delivery dates

- 4.1 In the event that the supplier realizes or can realize before the agreed fixed delivery date or the delivery date indicated by him, that the delivery date agreed upon cannot be kept, he is obliged to inform us thereof immediately in writing or in text form. If he culpably fails to inform us by three days before the agreed fixed or indicated delivery date, he agrees to pay us a penalty of 1 % of the invoiced net value (without TVA) of the goods due and/or scheduled for delivery at said date. The penalty will be payable at the fixed agreed delivery date or in the absence of such at the delivery date indicated by the supplier. For all cases possibly occurring during the contractual relationship with the supplier the penalty will be limited to a maximum amount of EUR 50,000.-- . Any exceeding or other legal claims (e.g. for delay in delivery) are reserved, if they are asserted the incurred penalty will be set off against the claimed damage.
- 4.2 In the event that a delay in delivery occurs and in cases according to 4.1., the supplier is obliged to immediately take appropriate steps to make sure that we are supplied without interruption. The supplier has to inform us promptly in writing or in text form of any such steps and to get our approval for them (§ 315 German Civil Code). We are obliged to give said approval unless there are reasons endangering seriously the purpose of the contract.
- 4.3 The supplier is liable for sub-suppliers to the same extent as for his own performances or non-performances. We herewith object explicitly to any reservation of proper and timely self-delivery.
- 4.4 The acceptance of delayed performances will not affect the assertion of damage claims.
- 4.5 Premature deliveries or performances are subject to our consent.
- 4.6 We have to be informed of the expected delivery date in writing or in text form two days before delivery at the latest.

5 Excess or reduced deliveries

Excess or reduced deliveries of the supplier of +/- 10% of the ordered quantity will be accepted by us as far as no fixed quantity has been expressly agreed upon in the individual case.

6 Prices, passing of risk, dangerous goods

- 6.1 Unless otherwise agreed, the prices are free destination designated by us in Germany, France or Switzerland including customs duty, freight, packing and fees (DDP).
- 6.2 Unless otherwise agreed, delivery is carried out at the supplier's risk to our loading ramp or our reception at the place of destination (DDP).
- 6.3.1 During loading and transporting of dangerous goods, adequate cargo securing on the basis of current prevailing legal regulations is to make sure.
During transporting of dangerous goods the labelling of the products must be according to current prevailing legal regulations (ADR, IMDG-Code, IATA-DGR).

7 Payment, assignment of claim

- 7.1 Unless otherwise agreed, the term of payment starts from the date when the invoice is received by us, however, not before completed delivery of the ordered goods.
- 7.2 Claims against us must not be assigned without our consent, as far as they are not recognized by declaratory judgment or uncontested. This does not affect § 354a HGB (Commercial Code).

8 Inspection of incoming goods, notice of defect

- 8.1 With respect to the numbers of items, the weights and dimensions the values determined by our inspection of incoming goods are authoritative. In case weighing is not possible with us, the weights of the railway authorities indicated on the freight bills shall prevail.
- 8.2 We reserve the right to reject goods delivered without waybills and to send them back to the sender at his expense.

9 Liability for defects

- 9.1 The supplier is liable for defects of title and of quality according to the provisions of law.

- 9.2 The supplier guarantees the careful and proper fulfilment of the contract, in particular the observation of the fixed specifications. According to the provisions of the law the supplier is liable especially for the goods to show the agreed quality at the passing of the risk. The agreed quality is set out in the fixed specifications.
- 9.3 Our consent to drawings, calculations and other technical documents does not affect the supplier's liability regarding the goods to be delivered.
- 9.4 The costs to be borne by the supplier for removal of defects include the costs for packaging, freight, collection and redelivery, required work for dismantling and reassembly, travel expenses and execution of the removal of defects in our premises.
- 9.5 The limitation period of any claim concerning defects is subject to the provisions of the law, except special agreements.
- 9.6 In case of subsequent improvements the supplier gives a warranty for the remedied defect to the same extent than for the goods first delivered. The warranty begins after removal of the defect.

10 Force majeure

If due to force majeure the performance of the contract is delayed, the agreed time of delivery is extended for the duration of the disturbance. The supplier shall inform us promptly in writing or in text form about the occurrence of the case of force majeure as well as the expected duration of the disturbance. If said disturbance lasts more than six weeks we are entitled to withdraw from that part of the contract which has not been completed due to the delay.

11 Insolvency

- 11.1 The opening of insolvency proceedings concerning the supplier or the dismissal of a petition in insolvency for insufficiency of assets shall entitle us to terminate the contract.
- 11.2 If a sub-supplier of the supplier is insolvent, the supplier has to provide replacement goods without delay. The conditions for the delivery of replacement goods have to be agreed upon with Weleda in writing.

12 Transport risks

As far as the supplier is liable for the transport, he has to cover his transport risks by a valid transport insurance with sufficient insured sum. On request, he has to submit us the policy.

13 Infringement of protective rights

The supplier guarantees that the goods he supplies are free of third party rights. These include in particular industrial property rights at home and abroad like patents, utility models or trademarks. The supplier shall indemnify us from any claims asserted against us or our customers for infringement of any industrial property right at home and abroad, as far as said infringement of an industrial property right concerns any item delivered by the supplier.

14 Product liability

- 14.1 The supplier shall indemnify us from any claims asserted against us by a third party in the event that by the due and foreseeable use of our products any third party shall incur a damage and said damage is due to a culpably caused defect in the construction or production of the goods supplied to us by the supplier and/or to the inexecution of his duty to control and observe the production of the goods he has supplied to us.
- 14.2 Pursuant to the same conditions the supplier is liable for damages we may incur due to precautionary measures necessary and appropriate in kind and extent against demands based on product liability (e.g. by taking back actions).

15 Liability

The supplier is liable according to the provisions of law.

16 Price increases

Unless otherwise agreed, the prices are principally fixed and effective for the duration of the concluded contract. Price increases have to be notified in writing at least three months before they

become effective. In the event that we do not consent to the price increase we have a special right to give notice with effect from the effective date of the new prices.

17 Advertising material

In his advertising material the supplier may not refer to his business relation with us without our express written consent.

18 Safety data sheet

The safety data sheet according to Article 31 REACH Regulation (EC 1907/2006) has to be made available by the suppliers.

19 Place of performance, jurisdiction, governing law

19.1 The place of performance concerning deliveries and services is the agreed place of destination.

19.2 All disputes concerning all legal transactions with traders, legal persons or partnerships shall be submitted to the exclusive jurisdiction of the Stuttgart Courts including actions on a bill or a cheque. Suppliers that have no general place of jurisdiction within the territory of the Federal Republic of Germany shall submit to the jurisdiction of the Stuttgart Courts. However, we are entitled to sue the supplier at his domicile.

19.3 The legal relationship shall be governed exclusively by the laws of the Federal Republic of Germany under exclusion of the law of conflicts. The application of the UN Convention on Contracts for the International Sale of Goods (CISG) is excluded. The UN Sales Convention (CISG) is applicable to business relations with intermediate dealers abroad.