

GENERAL SALES CONDITIONS OF RAFLATAC GROUP FOR LABELSTOCK, GRAPHIC MATERIAL AND STATIONARY PRODUCTS AND SERVICES

1 APPLICABILITY OF GENERAL SALES CONDITIONS

- 1.1** These general conditions shall apply to all contracts, sales agreements and arrangements governing sales relationships between UPM Raflatac Oy and/or its Affiliates (hereinafter referred to as the "Supplier") and Purchaser of products and services ("Sale Agreements" or "Sales Agreement"). All capitalised terms used in these General Sales Conditions and in any of the Sale Agreements shall have the meanings specified for such Conditions in the Sale Agreement in question or section 15 ("Definitions") or in text of these General Sales Conditions.

2 VALIDITY OF OFFERS AND ACCEPTANCE OF ORDERS

- 2.1** By issuing a purchase order for the Products or accepting an offer from the Supplier, the Purchaser expressly agrees and accepts that these General Sales Conditions govern the transaction and purchase relationship of the Parties relating to the Products.
- 2.2** Any offers or quotation issued by Supplier shall be valid for the period defined in such offer or quotation, or if such period has not been defined, for a period of fourteen (14) days. Any order of the Purchaser shall become binding upon the Supplier only when accepted in writing. The Purchaser shall not be entitled to revoke or cancel any order after such order has reached the Supplier, unless the Supplier has agreed in writing to such cancellation and has received from the Purchaser a written undertaking to pay all costs, charges and expenses incurred in respect thereof.

3 DELIVERY

- 3.1** The delivery or deliveries shall be made at the time agreed upon between the Parties in the Sales Agreement, provided always that suitable means of transportation are available at that time. Each delivery under the Sales Agreement shall be considered a separate contract, and default on one or more deliveries shall not invalidate the balance of the contract except as otherwise provided hereunder.
- 3.2** The term of delivery shall be separately agreed upon between the Parties. In failure of such an agreement, the term of delivery shall be Free Carrier (FCA) Supplier's factory (Incoterms, 2020).
- 3.3** The risk of Products shall in regard to Products shipped on board a seagoing vessel pass to the Purchaser in

accordance with the International Rules for the Interpretation of Trade Terms (Incoterms, 2020) of the International Chamber of Commerce. The risk of Products in regard to deliveries made by multimodal transport or by modes of transport other than seagoing vessel, shall as well pass on to the Purchaser in accordance with Incoterms, 2020.

- 3.4** Should delay in delivery be caused by grounds other than those mentioned in section 12, the Parties shall fix an additional period of time of reasonable length for delivery.
- 3.5** Each single delivery shall be considered to have been completed in accordance with the Sales Agreement when the quantity delivered against each separate item of the delivery neither exceeds nor falls short of the contractual quantity by more than the limit of tolerance defined in the UPM Raflatac Specifications for Quantities, Dimensions and Packaging.
- 3.6** Should delay in delivery be caused by the Purchaser's failure to accept delivery or take any other measures in accordance with its contractual obligations in regard to the delivery, the Supplier shall be entitled to arrange for the storage of the Products at the risk and cost of the Purchaser. When the delay is caused by the Purchaser, it shall nevertheless make any payment conditional on delivery as if the Products had been delivered. Unless the failure of the Purchaser is due to circumstances stated in section 12 hereunder, the Supplier shall be entitled to cancel the Sales Agreement in regard to undelivered Products and to claim damages.

4 PRICE

- 4.1** Should, after a Sales Agreement has been entered into, export and import duties, customs charges, taxes on export, import and delivery or similar charges increase as a result of decisions made by authorities, or if new duties, taxes and charges are introduced and implemented in respect of the relevant Products or their conveyance, or there is an increase of raw material cost of the Products, the price may be revised accordingly by Supplier. Price for the Products shall be the price valid at dispatch date or order confirmation date, as prevailing at the time.

5 PAYMENT

- 5.1** Payment shall be made in accordance with the term of payment and at the time or times agreed upon in the Sales Agreement. In failure of such an agreement, the term of payment shall be fifteen (15) days net from the date of invoice.

- 5.2 If the Purchaser defaults in making any payment on the date agreed upon in the Sales Agreement, the Supplier shall be entitled to charge interest on the amount overdue starting from the date of invoice until the invoice has been paid in full. The effective rate shall be stated on the invoice.
- 5.3 If the Purchaser is in default of payment and the delay is not attributable to errors by the transferring banks, the Supplier has the right, in addition to all other remedies, to cancel the entire Sales Agreement with effect fourteen (14) days after giving notice if the payment has still not reached him.
- 5.4 Should the Purchaser be in default in making a payment due under the Sales Agreement, the Supplier shall have the right to withhold deliveries due to the Purchaser under the Sales Agreement and under all other Sales Agreements made between them until such payment is received by the Supplier. The Purchaser shall not be entitled to any contractual remedies on account of delay in delivery caused by the exercise of the aforesaid withholding right.
- 5.5 Should the Purchaser or the Supplier become insolvent, go into liquidation, have a receiver appointed or be declared bankrupt, or otherwise is found to be in such a financial position that it may reasonably be assumed that he will not be able to fulfil his obligations, the other Party shall have the right to cancel the Sales Agreement if the first Party has not within ten (10) days after giving notice furnished a satisfactory guarantee for his fulfilment of the Sales Agreement.

6 QUALITY OF PRODUCTS

- 6.1 The Products are at the moment of delivery free from defects in material and workmanship and shall comply with all specifications expressly agreed in writing in the Sales Agreement to be applicable to the sale. No warranty, express or arising by operation of law or trade usage or otherwise implied, including without limitation the warranty of merchantability and the warranty of fitness, shall exist. All such warranties are hereby disclaimed by the Supplier and waived by the Purchaser. There are no warranties which extend beyond those expressly given herein. Purchaser must make its own qualification and suitability testing before using Supplier's Products as the suitability of Supplier's Products in Purchaser's own or its customer's products is solely on Purchaser's responsibility.
- 6.2 The Purchaser shall check the quality of delivered Products upon receipt. If the quality is not in accordance with the quality contracted for, then the Purchaser has to inform the Supplier in writing immediately.
- 6.3 Claims for defects of quality shall be made by the Purchaser as soon as the defect is discovered, but at the latest within three (3) months from the time the Products are discharged at the place of the Purchaser's warehouse.

- 6.4 When giving notice of claim, the Purchaser must identify the Products clearly and state fully the facts on when and how such defects have been discovered. Upon discovery of a defect, the Purchaser shall take all reasonable measures to prevent or limit any damage that may result from such a defect.
- 6.5 The Purchaser shall whenever considered necessary by the Supplier allow the inspection of the whole delivery including the defective Products as well as non-defective Products by the Supplier or its representative. In case inspection of the whole delivery is not possible, the liability of the Supplier shall not exceed the invoice value of the defective Products that the Supplier has had the possibility to inspect.
- 6.6 The Purchaser shall bear the burden of proof for the defects of Products.

7 LIMITATION OF LIABILITY

- 7.1 Defective Products shall be replaced by Products of agreed quality as soon as possible. The replacement shall be carried out by the Supplier without cost to the Purchaser. The Parties may alternatively agree upon a price reduction or a reimbursement of the price paid in order to compensate the Purchaser for the difference in the value of Products of agreed quality and defective Products. The liability of the Supplier shall not apply to defects due to causes arising after the risk of Products has passed on the Purchaser. Replacement of defective Products or a price reduction shall exclude any other remedies of the Purchaser pertaining to inferior quality of the Products delivered. Defective Products replaced or reimbursed as aforesaid shall upon request of the Supplier be placed at the disposal of or returned to the Supplier.
- 7.2 The Supplier shall in no circumstances be liable for any indirect, consequential, incidental or punitive damages or losses incurred by the Purchaser in connection with the Products or the Sales Agreement including but not limited to loss of profits, revenue, production or goodwill.
- 7.3 In the event of the Supplier being liable in damages under any Sales Agreement, the damages shall be limited to (i) any proven direct damages (but excluding loss of revenues or profits) incurred by the Purchaser up to the amount equal to the purchase price of the Products giving rise to such claim or (ii) to 10,000 euros if the liability is not arising from or relating to a Product. The Purchaser shall use its best endeavours to mitigate the damages arising in relation to any claim which the Purchaser may bring against the Supplier under or in connection with any Sales Agreement.
- 7.4 In the event that the Supplier can prove that the specification provided by the Purchaser has been duly complied with, no liability for damages exists.

7.5 If one Party alleges a breach of Sales Agreement by the other Party, he must take all necessary and reasonable measures to mitigate the loss.

7.6 The failure of either Party at any time to require performance by the other Party of any provision hereof shall in no way effect the full right to require such performance at any time thereafter. Nor shall the waiver by either Party of a breach of any provision hereof be taken to be a waiver of any succeeding breach of such provision or a waiver of the provision itself.

8 PRODUCT LIABILITY

8.1 Should either Party receive a product liability claim concerning the contractual Products, he shall inform the other Party in writing immediately.

8.2 In the case of damage caused by harmful inherent vices of the Products or information, instruction or advice given hereto, the Supplier shall be liable to the Purchaser only for personal injury, damage to the property or damage to products of which the Products constitute a part, and only if it is proven that such damage was caused by intent or gross misconduct by the Supplier or someone the Supplier is responsible for.

8.3 When the Products have been delivered subject to drawings, materials, models, specifications or other instructions by the Purchaser, the Purchaser is responsible for damages to which end customers and the Supplier are entitled as a result of such instructions.

8.4 Should the Supplier or the Purchaser pay compensation to a third Party suffering damage for damages that the Party in question is not liable for according to sub-sections 8.2 and 8.3, the Party who has paid the compensation is entitled to a claim of recourse from the other Party.

9 OWNERSHIP AND OTHER RIGHTS TO INTELLECTUAL PROPERTY

9.1 The delivery of the Products under any Sales Agreement and/or under the General Sales Terms shall not be construed as granting any express or implied rights or licenses to Supplier's Intellectual Property. Each Party retains ownership and other rights to any Intellectual Property owned or used by the respective Party at the time of entering into the Sales Agreement as well as to Intellectual Property created by the respective Party in connection with the fulfilment of the Sales Agreement.

10 DATA PROTECTION

10.1 The data necessary for Sales Agreement fulfilment is collected and processed in compliance with appropriate legal requirements. The Parties acknowledge and agree that each Party is acting independently as a data controller

with respect of such personal data that is needed for the fulfilment of the Sales Agreement, and each Party uses own decision-making power and exercises control over the purposes of and manners in which such data is being processed. For further information on UPM's personal data processing practices, see <https://privacy.upm.com/>.

11 COMPLIANCE

11.1 Purchaser warrants that it shall comply with all applicable laws and regulations, among others applicable Sanctions regulations and anti-money laundering legislation as well as best industry practices when performing its obligations under the Agreement or these General Sales Conditions, purchasing and/or utilizing Products from Supplier, or otherwise conducting business with UPM Raflatac Oy and/or its Affiliates. Purchaser warrants that it shall not distribute, or in any way contribute to the distribution of, the Products, directly or indirectly, to the Russian Federation and/or Belarus. The Supplier may refuse to make deliveries if the Supplier has reason to suspect that the Products are distributed to the Russian Federation and/or Belarus. The Supplier expressly reserves the right to also stop any shipment in transit.

11.2 Purchaser shall cooperate fully with Supplier in any official or unofficial audit or inspection related to applicable Sanctions regulations.

11.3 Further the Purchaser warrants that: (a) it is not a person that is listed on, or owned or controlled by a person listed on, a Sanctions List; and (b) to the best of its knowledge and belief, it does not engage, without prior authorisation from a competent authority (where permitted), in activities that are prohibited by Sanctions applicable to the Purchaser under the Sales Agreement or otherwise. For the purposes of this section, "ownership" and "control" have the meaning given to them in the applicable Sanctions or in any official guidance in relation to such Sanctions.

11.4 If Purchaser fails to comply with the provisions of this section, Purchaser shall indemnify, defend and hold harmless Supplier and its Affiliates from and against any claim, loss, damage, liability, expense, cost of whatsoever nature arising out of or related to, or connected with any breach of this section by its agent or employees, consultants or customers.

12 FORCE MAJEURE

12.1 The Supplier shall not be considered in default if its failure to perform is attributable to any of the circumstances stated herein if they occur after conclusion of the Sales Agreement or when they have occurred before that time, if their effects were not clearly foreseeable before the conclusion and they prevent, hinder or delay the production in which the Purchaser intends to use the Products or the Purchaser's acceptance of the Products or

the Supplier's production or delivery by agreed means. The following shall be considered cases of relief (force majeure): industrial and labour disputes and any other circumstances including but not limited to fire; flood; mobilization; war; insurrection; requisition; embargo; blockade; Sanctions, currency restrictions; general shortage of labour, transport, materials, energy and water; obstructions of railways or obstruction of navigation by ice at port of shipment, non-delivery or faulty or delayed delivery by the supplier of raw materials, Acts of God, diseases, pandemics, epidemics, or other viral outbreaks, labour disputes, strikes, acts of governmental agencies, or other commodities, distributed denial of service attacks or other cyber threats and incidents, viruses and other malware and any other circumstance beyond the control of the Supplier whether or not similar to the causes enumerated herein.

- 12.2** The Supplier shall without delay inform the Purchaser of the intervention and cessation of any of the aforesaid circumstances impeding the performance of the Supplier. If by reason of any aforesaid circumstances the performance of the Supplier under the Sales Agreement within a reasonable time becomes impossible, the Purchaser as well as the Supplier shall be entitled to cancel the Sales Agreement forthwith by written notice. Neither Party shall be entitled to claim damages due to cancellation of the Sales Agreement on the aforesaid grounds.

13 APPLICABLE LAW AND DISPUTE RESOLUTION

- 13.1** The Sales Agreement and these General Sales Conditions shall be governed by and construed in accordance with the laws of Finland. The applicability of CISG is specifically excluded. Any disputes arising out of or relating to the Sales Agreement and these General Sales Conditions will be finally settled by arbitration in Helsinki in accordance with the Rules of the Arbitration Institute of the Finland Chamber of Commerce. However, the Supplier is always entitled, at its sole discretion, to make claims for payment of monetary receivables based on the sale of Products or services also in the Courts of the Purchaser's place of business.

- 13.2** In case of any discrepancy between the language versions of these General Sales Conditions, the English version shall prevail.

14 RETENTION OF TITLE

- 14.1** Should delivery have been made before payment of the whole sum payable under the Sales Agreement, the Products delivered shall, to the extent permitted by the law of the country where the Products are situated after delivery, remain the property of the Supplier until such payment has been effected in full. The ownership of the Products includes the right to the Products such as delivered or converted. The Supplier shall be entitled to assign its receivables under the Sales Agreement to any

third party.

15 DEFINITIONS

The following capitalized terms used in these General Sales Conditions and Sales Agreement shall have the following meanings:

"Affiliate" shall mean any entity controlling, controlled by or under the common control with a Party.

"Appendices" shall mean the appendices to the Sales Agreement as amended from time to time by the Parties as well as these General Sales Conditions.

"Delivery Date" shall mean the date when the Products are due to be delivered to the Purchaser pursuant to Incoterms 2020 delivery term agreed in any Sales Agreement.

"Force Majeure" shall have the meaning set forth in section 12 of these General Sales Conditions.

"General Sales Conditions" shall mean these General Sales Conditions of UPM Raflatac group for products and services.

"Intellectual Property" shall mean any patents, utility models, designs, copyrights, trademarks, trade names, inventions, trade secrets, know-how and any other industrial or intellectual property rights, and applications thereof.

"Party" shall mean the Supplier or the Purchaser.

"Parties" shall mean the Supplier and the Purchaser.

"Products" shall mean the products and services to be provided by the Supplier to the Purchaser as specified in any Sales Agreement.

"Purchaser" shall mean the legal entity as specified in the Sales Agreement purchasing the Products or services from the Supplier.

"Sales Agreement" or "Agreement" shall mean the written or oral sale and purchase agreement or order of the Purchaser which is confirmed by the Supplier for the delivery of the Products entered into between the Supplier and the Purchaser, including its Appendices and these General Sales Conditions.

"Sanctions" shall mean economic or financial sanctions or trade embargos or other equivalent restrictive measures imposed, administered or enforced from time to time by the European Union, the governments of other member states of the European Union, the United Nations Security Council, the United States government or an United States agency (including OFAC, the US State Department, the US Department of Commerce and the US Department of Treasury) or the equivalent regulator of any other country



which is relevant to the Sales Agreement.

“Sanctions List” shall mean any of the lists of specifically designated nationals or designated persons or entities (or equivalent) in relation to Sanctions, each as amended, supplemented or substituted from time to time.

"Supplier" shall mean UPM Raflatac Oy or any of its Affiliates mentioned in the respective order confirmation.