

General Terms and Conditions of Sale

1. GENERAL

These General Terms and Conditions of Sale shall apply to all agreements for sale and delivery of products and related services from Höganäs AB (publ) and its subsidiaries and affiliates (hereinafter "Höganäs") whichever is party to the main contract and will exclude application of any deviating general or specific conditions or terms of buyer. These General Terms and Conditions of Sale shall together with the written sales document or any other agreed terms and the technical specification of the products (if any) collectively constitute the entire contract between the parties. No waiver or modification of these General Terms and Conditions of Sale shall be binding upon Höganäs, unless approved in writing by an authorized representative of Höganäs. Any conditions of a separate written sales agreement between the parties shall supersede any conflicting terms in these General Terms and Conditions of Sale. These General Terms and Conditions of Sale shall apply irrespective of any provisions to the contrary that may appear on an order or on other document issued by buyer and shall prevail over other per-printed terms or conditions contained in either party's documentation or exchanged between the parties.

2. INFORMATION CONCERNING PRODUCT

Any information concerning weights, prices, technical properties and other specifics for products being part of Höganäs' catalogues, brochures, advertisements, circulars, data sheets, price lists or otherwise shall not be binding upon Höganäs and may not be relied upon by buyer, unless such information follow from a specific agreement and is expressly specified therein.

3. OFFER AND ACCEPTANCE

Unless otherwise stated by Höganäs, all offers are valid thirty (30) days from the date of the offer. No order shall be binding upon Höganäs unless accepted in writing by Höganäs.

4. DELIVERY

4.1 Products delivered shall be in accordance with Höganäs' specification (incl. information regarding packaging) or such other specification agreed in writing. The quantity of the products established by Höganäs forms the basis for invoicing. All shipments shall be made in accordance with the Incoterm agreed between the parties (as defined by Incoterms 2020). Höganäs has registered the substance contained in the products, to the extent necessary, for intended uses under the REACH Regulation. Buyer bears the sole responsibility for ascertaining, whether the intended use contemplated by buyer is registered as well. Höganäs does not take any responsibility for uses of the substances which are not registered. Buyer shall bear the sole and unlimited responsibility for not registered uses.

4.2 Any consultation of Höganäs relating to application technology, be it orally, in writing or through experiments, shall be carried out to its best knowledge but is only considered as information provided without any commitment, also in relation to possible intellectual property rights of third parties. It does not release buyer from performing its own examination of the products supplied by Höganäs for their suitability for the intended process and purposes. Application use and processing of the products happen outside the realm of Höganäs' control and are thus the sole responsibility of buyer.

4.3 All specified delivery dates refer to the completion of manufacture and availability for shipment of the products and are Höganäs' best estimates. Höganäs reserves the right to modify the delivery dates with notice to buyer. Höganäs shall notify buyer in case there is reason to believe that delivery of products may be delayed. Except in cases set forth in clause 7 below, buyer shall, in case the delay exceeds thirty (30) calendar days, be entitled to cancel the delivery in question provided that the delay causes buyer considerable inconvenience and provided the products are not customized or customer specific products. Buyer shall not be entitled to make any other claims for damages or otherwise in case of delayed delivery.

4.4 In case Höganäs becomes aware of the likely occurrence of buyer's insolvency or inability to pay for delivered products, Höganäs shall have no obligation to make delivery, and shall be entitled to stop products under carriage, unless buyer makes advance payment for the delivery and other claims arising from the business relation (including but not limited to paying any outstanding debt) or grants security which can reasonably be accepted by Höganäs. In case advance payment is required but not provided by buyer within fifteen (15) days, Höganäs may terminate the agreement.

4.5 In the event buyer is unable to take delivery of any shipment or refuses delivery of a scheduled shipment, Höganäs will store the shipment at buyer's sole risk and expense and payment for such delayed shipment shall immediately become due.

4.6 Return of products for any reason whatsoever shall require prior written approval of Höganäs.

5. PRICE AND PAYMENT

5.1 If any unforeseen changes of costs for raw materials, alloys, energy, exchange rates, duties, taxes or governmental charges occur before delivery and such change affects Höganäs' costs for supplying products, Höganäs shall be entitled to adjust the price accordingly.

5.2 Unless otherwise agreed in writing, payment shall be made within thirty (30) days from the date of invoice. Buyer may not offset any claim against debts to Höganäs unless such claim is uncontested or its validity has been established as legally effective. All prices shown are exclusive of any applicable tax. Any tax that Höganäs is required to collect pursuant to the sale of products hereunder shall be in addition to the price and shall be borne entirely by the buyer.

5.3 Title to the products shall remain vested in Höganäs and shall not pass to buyer until fulfilment of all of buyer's liabilities under the business relation with Höganäs (including payment of agreed price, related costs and charges). If the relevant domestic property laws do not recognize a retention of title or provide for additional requirements such as but not limited to registration requirements etc., buyer undertakes to support Höganäs at Höganäs' request in order to either fulfil any of these requirements or to establish a comparable security interest for Höganäs in relation to the products sold to buyer. Costs reasonably incurred by Höganäs in these regards shall be borne by buyer. When products which have not been fully paid by Buyer are processed, buyer is acting for Höganäs. If those products are processed, transformed, mixed or combined with products which are not owned by Höganäs, Höganäs acquires co-ownership in the products so generated in the proportion of the invoiced value of the unpaid products to the invoiced value to the other processed, transformed, mixed or combined products at the time of such processing, transformation, mixing or combination.

5.4 In the event of any delay in payment, all outstanding invoices and payments payable to Höganäs shall become due immediately and Höganäs is entitled to interest on the amount overdue from the due date at an annual interest rate corresponding to the official reference rate applied by Sweden's Central Bank Riksbanken from time to time plus twelve (12) per cent. Without prejudice to any of the rights or remedies of Höganäs, if buyer fails to make any payment when due Höganäs shall have the right to (i) cancel or suspend any further deliveries without incurring liability to buyer and (ii) provided the products have not been resold, require buyer to deliver the products or enter buyer's premises to recover products. Buyer shall reimburse Höganäs for all administrative and legal expenses incurred by Höganäs in the collection of any such amounts payable by buyer.

5.5 Höganäs' acceptance of payment shall not waive or limit any right or remedy of Höganäs.

6. DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY

6.1 Höganäs warrants the products will conform only to Höganäs' standard specifications for the same, unless otherwise agreed to in writing by Höganäs. Should products, as delivered, be shown not to conform with Höganäs' specifications or the specification otherwise agreed in writing, as the case may be, or the quantity of delivered products be shown to deviate from the agreed quantity with more than 5 %, Höganäs shall, at its own discretion and at its own costs, as the sole remedy of buyer, either deliver new products or refund such proportion of the purchase price received which correspond to the nonconformity or the shortage. Buyer is, however, solely liable for the suitability of products and their compliance with laws, regulations and applicable standards, for the intended use.

THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, COVENANTS OR REPRESENTATIONS, EXPRESS OR IMPLIED, ORAL OR IN WRITING, STATUTORY OR OTHERWISE, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHICH ARE EXPRESSLY DISCLAIMED.

6.2 Buyer shall examine the products upon delivery and report to Höganäs without undue delay any damage, non-conformity or deviation in quantity. Any claim from buyer on account of such examination must be made to Höganäs prior to the product or any part thereof is used or put into production. Any claim on account of such defects, damages non-conformities or deviation shall in any event be deemed waived by buyer, unless submitted to Höganäs in writing not later than thirty (30) days from the delivery date.

6.3 Any notice of claim shall be specified and state the alleged defect, nonconformity or deviation in quantity as well as the batch number and delivery date of products. Höganäs shall be entitled to examine and take samples of any delivery with an alleged defect or non-conformity. In the event Höganäs accepts to deliver new products, Höganäs shall have the right to collect defective products.

6.4 Höganäs shall have no liability in respect of damage, non-conformity or deviation in quantity or quality if such damage, non-conformity or deviation is resulting from or relating to the failure by buyer (or its employees or customers) to comply with laws, regulations, applicable standards or instructions of Höganäs as given from time to time regarding the use, handling, transportation or storing of the products, or for any errors that are caused by the inaccuracy or incompleteness of buyer-supplied data.

6.5 The total liability of Höganäs on any claim whether in contract, tort (including negligence) or otherwise arising out of, connected with or resulting from the manufacture, sale, delivery, resale, replacement or use of any product shall in no event exceed the price allocable to the products or part thereof which give rise to the claim. No action may be brought by buyer more than six (6) months from the delivery date and regardless of whether the cause for the action has been known to buyer by that time. Höganäs shall not be liable for any punitive, special, incidental, indirect or consequential loss or damage of any kind or nature, arising at any time, from any cause whatsoever, including loss of revenue or profit. The limitation of liability shall not apply (i) in case of gross negligence or willful misconduct attributable to Höganäs, (ii) in case of bodily injury culpably caused by an act or omission attributable to Höganäs, or (iii) in so far as mandatory laws provide otherwise. The burden of proof for (i)-(iii) shall rest with buyer save and except otherwise provided by applicable laws.

7. FORCE MAJEURE

7.1 Höganäs shall not be liable for any non-performance caused by circumstances beyond Höganäs' control, which directly or indirectly prevent, obstruct or render production, delivery or freight uneconomical until such obstacle has been removed (force majeure). Such circumstances shall be deemed to include difficulties to procure raw materials as well as other difficulties and disturbances, including but not limited to war, riot, acts of terrorism, labor conflicts, fire, flood, storm, accident, fuel or power shortages, transportation shortages, obstacles or interruptions regarding transportation at sea and breakdowns or interruptions of any kind as regards Höganäs' equipment or facilities, which are deemed necessary for the performance of Höganäs' obligations.

7.2 Höganäs reserves the right to allocate and fairly apportion products among its internal and external customers during force majeure events in any manner Höganäs, in its sole discretion, deems appropriate.

7.3 Höganäs shall have no obligation to acquire by purchase or otherwise any products that Höganäs is unable to supply to buyer due to force majeure events.

8. PROPRIETARY INFORMATION

In the absence of a signed agreement to the contrary, no information disclosed by buyer to Höganäs shall be considered confidential.

9. PERSONAL DATA PROTECTION

Each party must at all times comply with its respective obligations under the applicable data protection laws and regulations (including but not limited to the Regulation (EU) 2016/679 – GDPR). For information on how Höganäs treats personal data regarding any buyer representatives, see Höganäs Privacy Policy and Privacy Statement on www.hoganas.com.

10. EXPORT CONTROL AND SANCTIONS

10.1 Höganäs' obligations under its agreements and these General Terms and Conditions of Sale are subject to the condition that Höganäs obtains any export authorizations needed from relevant authorities, including authorizations in relation to dual-use items and transactions with or related to any sanctioned persons, entities, sectors, products or countries.

10.2 Any delivery under these General Terms and Conditions of Sale is subject to the provision that performance does not conflict with any national or international export control regulations, for example embargoes or other sanctions. Buyer undertakes to provide all information and documents required for the export or transfer of the products such as information on ownership, end user, final destination (country) of products sold by Höganäs

and/or description of end use. Delays due to export examinations or permission procedures shall set aside any time limits and delivery periods. If necessary permissions are not granted, or if the delivery and service is not capable of being permitted, the agreement between the parties shall be deemed as not concluded with regard to the parts of it that are concerned.

10.3 Höganäs is entitled to suspend performance and/or terminate the relevant agreement without notice if, based on Höganäs' understanding, such action on the part of Höganäs is warranted in order for Höganäs to comply with national or international legal export control and sanctions regulations.

10.4 In the event of a suspension or termination according to clause 10.3, the assertion of any claim for damages or the assertion of other rights by buyer based on the suspension or termination shall be excluded.

10.5 Buyer must upon passing on any products delivered by Höganäs to third parties at home and abroad comply with all national, regional and international export control and sanctions laws and regulations, as applicable to the buyer and/or Höganäs, including at all times the EU regulation on dual-use items and any EU Council sanctions regulations in force.

11. DISPUTES AND GOVERNING LAW

11.1 These General Terms and Conditions of Sale shall when buyer is incorporated in any European country (including for the avoidance of doubt Russia and Turkey) or any country not subject to the regulations in clauses 11.2-11.4 be governed by Swedish law, without regard to its principles of conflict of laws, except that the Swedish law (1987:822) on International Sale of Goods shall not apply. Neither shall the United Nations Convention for the International Sale of Goods apply to these General Terms and Conditions of Sale.

Any dispute arising out of or in connection with delivery of products to a buyer incorporated in any country mentioned above shall be finally settled by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitration proceedings shall take place in Malmö, Sweden and the language to be used in the arbitral proceedings, its documentation and award shall be English. The Rules for Expedited Arbitrations shall apply if the amount of the dispute does not exceed EUR one hundred thousand (100,000). This arbitration clause is for the benefit of Höganäs and Höganäs shall be entitled to, in its sole discretion, choose arbitration in accordance with the rules of any arbitration institute and location for the arbitral proceedings which is relevant considering the location of buyer and the Höganäs selling entity. Höganäs shall also be entitled to apply directly to any competent court of law, in cases of default in payment.

Sales to India

11.2 These General Terms and Conditions of Sale shall when buyer is incorporated in India be governed by (the Indian) Sale of Goods Act, 1930. The United Nations Convention for the International Sale of Goods shall not apply to these General Terms and Conditions of Sale.

Any dispute arising out of or in connection with delivery of products when buyer is incorporated in India shall be finally settled by arbitration in accordance with the Rules of the Arbitration and Conciliation Act, 1996. The place of arbitration proceeding shall be Pune Jurisdiction. The language to be used in the arbitral proceedings, its documentation and award shall be English. Höganäs shall also be entitled to apply directly to any competent court of law, in cases of default in payment.

Sales to the USA

11.3 These General Terms and Conditions of Sale shall when buyer is incorporated in USA be governed by Pennsylvania law without regard to the conflict of law provisions thereof. The United Nations Convention for the International Sale of Goods shall not apply to these General Terms and Conditions of Sale.

In the event of any dispute arising out of this transaction between a buyer incorporated in the USA and Höganäs buyer consents to the jurisdiction of the United States District Court for the Western District of Pennsylvania, the Court of Common Pleas of Somerset and Court of Common Pleas Cambria County, Commonwealth of Pennsylvania for the resolution of all such disputes, which courts shall have exclusive jurisdiction for the resolution of such disputes. Buyer hereby waives any objection to the personal jurisdiction of, or venue in said courts. The parties hereby appoint the Secretary of State of the Commonwealth of Pennsylvania to accept service of process for such purpose.

The Rules for Expedited Arbitrations as set forth in the American Arbitration Association Commercial Arbitration rules and Mediation Procedures shall apply if the amount of the dispute does not exceed USD one hundred thousand (100,000). Höganäs, at its election, shall also be entitled to apply directly to any competent court of law, in cases of default in payment.

Sales to the People's Republic of China

11.4 These General Terms and Conditions of Sale shall when buyer is incorporated in the People's Republic of China be governed by the laws of the People's Republic of China without regard to the conflict of law provisions thereof (solely for the purpose hereof, People's Republic of China herein shall exclude Hong Kong Special Administration Region, Macao Special Administration Region and Taiwan). The United Nations Convention for the International Sale of Goods shall not apply to these General Terms and Conditions of Sale.

In the event of any dispute arising out of this transaction between a buyer incorporated in the People's Republic of China and Högånäs, such dispute shall be submitted to China International Economic and Trade Arbitration Commission (CIETAC) Shanghai, Sub-Commission (Arbitration Center) for arbitration which shall be conducted in accordance with the CIETAC's arbitration rules in effect at the time of applying for arbitration. The place of arbitration shall be Shanghai, People's Republic of China. The arbitral award is final and binding upon both parties.