

# Komatsu Forest General Purchasing Regulations

Issue 04 2025

## Definitions

<b>Komatsu</b>	- the unit within Komatsu Forest that enters into a Supply Agreement and the operating units within Komatsu Forest that participate in such agreement.
<b>Supplier</b>	- the company supplying the Product
<b>Product</b>	- goods delivered by the Supplier to Komatsu.
<b>Parties</b>	- supplier and Komatsu.
<b>Third party</b>	- a natural or legal person who does not belong to the Supplier or Komatsu.

These General Purchasing Regulations shall apply to each individual order/order, where delivery is made in accordance with the delivery schedule.

Requirements and procedures according to the Komatsu Supplier Manual, FKES 00-000-140, apply to all deliveries to Komatsu.

## 1. Technical documents

All technical documents, instructions for use and maintenance, certificates and drawings relating to the Product shall be included in the contract price and completed and provided to Komatsu before the Product is delivered. Komatsu has the right to use and copy such material for its own use and for use in training regarding the Product. Komatsu is also entitled to include or use such technical material in the preparation of instructions or manuals that are necessary for the final processing of the Komatsu product or for the use of the final products.

All drawings and technical documents relating to the Product or its manufacture, which are handed over by one Party to another, remain the property of the surrendering Party. Such documents may not, except where in accordance with these provisions, be used or copied, reproduced, handed over to or disclosed to Third Parties without the consent of the Transferring Party.

## 2. Confidentiality

All information, technical documents, know-how and equipment, including electronically stored data and designs, which the Party gains access to through the Parties' business relationship, shall be treated as confidential during the term of the Delivery Agreement and for the period of ten (10) years thereafter and may not be used for any purpose other than for deliveries to Komatsu. Copying or reproduction of such confidential information may only take place within the framework of the Party's fulfillment of its obligations and taking into account copyright laws and regulations.

At Komatsu's request, the Supplier shall either return or destroy all materials referred to in this paragraph.

The provisions of this paragraph shall not prejudice Komatsu's rights under paragraph 1.

## 3. Delivery

Agreed delivery clauses shall be construed in accordance with INCOTERMS 2024. If no special delivery terms have been agreed, delivery must take place at FCA Supplier's factory.

The supplier must follow the packaging instructions provided by Komatsu.

## 4. Delivery

Unless otherwise agreed, planned volumes are only to be considered as forecasts and are not binding on Komatsu. However, the supplier must maintain a sufficiently large production and delivery capacity to be able to carry out deliveries in accordance with the forecast volumes in the delivery plans.

The supplier must inform Komatsu without delay if there is a risk of deviations from agreed deliveries and take the necessary measures to avoid deviations.

If the Supplier delivers a larger quantity than Komatsu ordered or delivers ahead of time, Komatsu is not obliged to take delivery or to store or maintain these Products. Komatsu has the right to return any such overdelivery or early delivery to the Supplier at the Supplier's expense, or alternatively receive compensation for storage costs.

Komatsu is not obliged to examine the Product at the time of delivery, but only when it is to be used in Komatsu's production and then only by random checks and without having to carry out dismantling of the Product or similar extraordinary control measures.

## 5. Delayed deliveries

If the Supplier realizes that delivery cannot be made on time, this must be notified to Komatsu in writing without delay. The reason for the delay must be stated and the time when delivery is expected to take place.

In the event of delayed delivery of a Product, Komatsu has the right to (i) cancel the purchase of the Product and of other Products that Komatsu does not consider to be of use as a result of the delayed delivery, and (ii) make replacement purchases from other suppliers. The Supplier shall compensate Komatsu for any direct and indirect losses and damages arising out of or in connection with the delayed delivery.

The Supplier's liability for losses under this paragraph and paragraph 11 shall be limited for any event giving rise to loss or damage to an amount equal to ten percent (10%) of the purchase value of (i) all Products supplied by the Supplier to the relevant Komatsu entity during the twelve-month period immediately preceding the event giving rise to the loss or damage; and (ii) all Products the Supplier is obligated to Deliver during the next twelve months period as set out in the delivery plan.

## 6. Purchase price and payment term

All prices include packaging operations, packaging materials, service fees and all invoicing costs.

Payment must be made within the agreed payment period, calculated from the receipt of the invoice by the addressee specified in the order, but not earlier than the date on which the goods have physically arrived at the agreed address. Payment shall also be made in accordance with other terms and conditions agreed in writing by the parties. Unless otherwise agreed, the payment period shall be at least sixty (60) days. Payment within the specified time requires that the invoice has the correct address and contains all the information Komatsu needs to handle the invoice. The invoice must not be addressed to any individual.

In cases where the Supply Agreement includes the provision of technical documents, the payment period shall not begin to run until the documents have been received and accepted.

Payment does not mean that the delivery has been accepted or that the invoiced amount has been approved.

## 7. Packaging

The supplier shall follow the packaging instructions issued by Komatsu. If the Supplier deems the instructions inappropriate or unwilling to follow the instructions, the Supplier shall notify Komatsu. Komatsu decides what measures to take. If notification is not made and the packaging does not comply with Komatsu's packaging instructions, Komatsu is entitled to charge the Supplier for the additional handling costs incurred. If the goods are damaged due to incorrect packaging, the Supplier shall, without delay, at its own expense, deliver replacement products at Komatsu's request, or Komatsu has the right to make replacement purchases from other suppliers at the Supplier's expense.

Komatsu has the right to determine package sizes when ordering.

## 8. Initial Sampling

To ensure that a Product does not contain defects, the Supplier shall, prior to delivery of a new or modified Product, manufacture and perform quality control on samples in accordance with Komatsu's current requirements regarding initial sampling.

Once an initial sample has been approved, any change in function, appearance, properties, materials, means of production, place of manufacture, tools or other equipment that may affect the Product may only be made with the written approval of Komatsu.

Komatsu's approval of initial sample does not affect the Supplier's responsibility and obligation in the Delivery Agreement and does not in any way imply limitation on Komatsu's ability to claim errors.

## 9. Purchasing control and quality

Komatsu or Komatsu's representative shall have the right to carry out checks of quality and/or manufacture of the Product at the Supplier's premises at such times as Komatsu chooses, both during the manufacture of the Product and after manufacture. For this purpose, the Supplier shall provide Komatsu with all documents relating to manufacturing and manufacturing processes in its possession and provide Komatsu free of charge with the necessary equipment and premises for inspection. In addition, the Supplier shall ensure that Komatsu can also carry out such checks at the Supplier's subcontractors.

Komatsu's completed inspections and tests shall not in any way limit the Supplier's actions and responsibilities under the Delivery Agreement and do not in any way imply any limitation on Komatsu's ability to claim errors.

## 10. Warranty

The Supplier warrants that delivered Products are free from defects. The product shall be considered defective if, for example:

1. deviates in any way from the technical specification;
2. Supplier specified by sample, prototype or marketing
3. are not as certain as Komatsu could reasonably have expected,
4. is not suitable for the purpose for which the Parties intended it to be used
5. deviates in other ways from what Komatsu could reasonably have expected.

The warranty period is twenty-four (24) months from the date the final product is put into service, but shall not exceed thirty (30) months from the date the goods are received by Komatsu. Claims must be made no later than six (6) months after the end of the warranty period.

However, the above-mentioned time limit shall not apply if there is a risk of personal injury or damage to property other than the faulty product, or in the event of repeated defects.

The parties can enter into special agreements on the handling of warranty claims and on extended warranty liability.

## 11. Liability for errors and deficiencies

If a Product is faulty in accordance with clause 10 above or if a delivery does not contain the agreed quantity, Komatsu has the right to (i) demand immediate rectification, or (ii) demand immediate delivery of the replacement product.

If a faulty Product cannot be repaired or replaced without delay or if there is a risk of production disruption at Komatsu or delivery disruption from Komatsu, Komatsu is entitled to carry out necessary repair work at the Supplier's expense without obtaining the Supplier's approval, or to cancel the purchase of the Product and other such Products that Komatsu does not consider to be of use as a result of the defect or defect, and to buy replacement products from another supplier.

The Supplier shall compensate Komatsu for any direct and indirect loss or damage arising from, or in connection with, the error or lack of supply. These costs include but are not limited to costs for assembly and disassembly, inspection of the Product and analysis, scrapping and transport, taking into account the limitations set out in paragraph 5 paragraph 3.

If Komatsu deems it necessary to inspect all Products of the same type as the Supplier has delivered as a result of the delivery of a faulty Product, Komatsu is entitled, upon notification to the Supplier, to carry out the inspection at the Supplier's expense and without waiting for the Supplier's consent. The message must describe the nature of the defect and indicate the time and place of the inspection. If possible, the Supplier shall be present at the inspection.

## 12. Product liability and insurance

The Supplier is responsible for ensuring that the Product complies with the provisions of applicable laws, statutes and regulations, except to the extent that the Product has been designed or specified by Komatsu.

The Supplier shall indemnify Komatsu for all direct and indirect loss and damage, including any claims for loss or damage from Third Parties that the Third Party brings against Komatsu, arising from, or in connection with, the fact that the final product or a sample or Product has caused personal injury or property damage because the Product supplied by the Supplier was defective.

When claims are made due to loss or damage, Komatsu shall notify the Supplier and the Parties shall conduct the necessary investigations to best defend themselves against such claims. The supplier shall, at Komatsu's request, assist in any dispute.

If there is a risk that an end product may cause personal injury or property damage due to defects in the delivered Product, Komatsu has the right to decide on a recall of the end product and, if Komatsu so decides, the Supplier shall reimburse Komatsu for Komatsu's costs in connection with such recall.

The Supplier shall take out and maintain product liability insurance which shall be valid for the period of time during which claims may be made against Komatsu under applicable laws or regulations. The supplier must also provide Komatsu with a copy of the insurance policy at Komatsu's request. The supplier is not entitled to terminate the insurance without first obtaining Komatsu's written consent.

### 13. Tools or Equipment

If Komatsu provides tools or equipment for the manufacture of the Product or if the Supplier procures such tools or equipment at Komatsu's request, such tools are the property of Komatsu.

The Supplier shall, at its own expense, maintain tools and equipment in such a way that the specifications of the tools and equipment are met. The supplier assures that all tools that are the property of Komatsu at all times will be marked in accordance with Komatsu's instructions and must keep the necessary documentation available, proving that the tools are the property of Komatsu. The supplier also undertakes to inform Komatsu well in advance when replacement tools or new equipment will be needed.

The supplier must at all times have sufficient insurance cover to cover damage to tools and equipment.

The rules set out above under points 1 and 2, regarding the use and return of drawings and documents, apply correspondingly to the use and return of tools and equipment.

### 14. Force majeure

The following circumstances are examples of, but do not constitute a limitation on, what is to be considered "force majeure" if they prevent the performance of the Supply Agreement: industrial disputes and other circumstances beyond the control of the Parties, such as fire, war, general mobilization, requisition, currency restrictions, insurrection, riots and natural disasters. A Party wishing to invoke a ground for exemption shall notify the other Party in writing as soon as such a circumstance arises, as well as of its termination. The supplier must notify Komatsu of when delivery can be expected to take place.

### 15. Termination of the Supply Agreement

The Delivery Agreement may be terminated by either Party subject to twelve (12) months' notice. Komatsu may terminate the Delivery Agreement with immediate effect if the Supplier's performance of the Delivery Agreement is prevented for more than one (1) month due to "force majeure"

In addition to what is stated above, a party has the right to terminate the supply contract with immediate effect if:

1. The other Party enters into composition negotiations, is declared bankrupt, enters into liquidation or can otherwise be assumed to have become insolvent; or
2. the second Party is acquired by a competitor of the first Party.

Termination in accordance with the preceding paragraph shall be made without unreasonable delay after such circumstance has become known to the Party or should have become known to the Party.

Termination must be made in writing.

The Supplier undertakes to inform Komatsu of any change in the Supplier's ownership structure and further undertakes, regardless of the reason for termination, to ensure continued deliveries to Komatsu to the extent necessary, but at least for a period of twelve (12) months from the date of termination, at the prices and on the other terms and conditions that applied prior to the termination.

In addition, the Parties have no obligations upon termination of the Supply Agreement under the provisions above.

### 16. Transfer of the Supply Agreement

The Party may not assign any rights or obligations under the Delivery Agreement to a Third Party without the written consent of the other Party. If there is a significant change in the Supplier's ownership structure, this shall be notified to Komatsu immediately and the Supplier shall ensure that the Delivery Agreement will be maintained. However, Komatsu may, without the Supplier's consent, transfer the Supply Agreement to another company within Komatsu.

### 17. Governing Law and Disputes

In the event that a Komatsu entity and the Supplier have their registered office in the same country, the law of that country shall apply to the Supply Agreement.

In other cases, Swedish law, with the exception of the International Purchases Act (1987:822), shall apply to the Supply Contract unless otherwise agreed.

Disputes that cannot be resolved by negotiation between the Parties shall ultimately be settled by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitration shall take place in Stockholm, Sweden.

### 18. Environmental standards

The supplier undertakes to conduct its business in an environmentally conscious manner. The Supplier shall in all respects conduct its business in accordance with the environmental laws and regulations applicable in the country(s) in which the Supplier operates.

For Products containing chemical substances, the Supplier shall ensure that all existing and future requirements under the Regulation EC 1907/2006 regarding Registration, Evaluation and Authorization of Chemicals (REACH) are met.

### 19. Spare parts

The Supplier guarantees deliveries of spare parts for the Product at market-reasonable prices for a period of ten (10) years after Komatsu's purchase for serial production from the Supplier has ended.

### 20. Intellectual Property Rights

Any technology, including specifications, designs or tools provided by Komatsu, is the property of Komatsu and may not be used for any purpose other than to fulfill obligations in the Supply Agreement. In particular, the Supplier undertakes not to manufacture the Product for its own part or for sale to Third Parties if the Product is manufactured in whole or in part in accordance with technical specifications or with the use of other technology, design or tools provided by Komatsu.

The Supplier is responsible for and shall indemnify Komatsu for all claims, costs and proceedings related to infringement of patents or other intellectual property rights relating to the Product and the use of the Product, unless the alleged infringement relates solely to technical specifications provided by Komatsu. The Supplier's liability and obligation to indemnify Komatsu shall continue even after the Supply Agreement has expired taking into account the time limits mentioned in clauses 10 or 15, as long as claims can be made by Third Party against Komatsu.

### 21. Order of validity between the documents of the Supply Agreement

The supply contract may include the following documents

1. The supply agreement
2. Komatsu order
3. Komatsu Forest General Purchasing Regulations
4. Supplier's order confirmation
5. Supplier's quotation

If there is conflicting information in a document in relation to another document mentioned above, the documents shall apply in the order in which they are numbered, with number 1 taking precedence.