Agreement on compliance with legal requirements and limit values

Konformitätserklärung Lieferant /
Compliance Declaration Supplier (CDS)

between:

Storch-Ciret Holding GmbH, Platz der Republik 6, 42107 Wuppertal, Germany,

- hereinafter also referred to as "**Buyer**" -

and:

_____ _____ _____

_____ _____ _____

- hereinafter also referred to as "**Supplier**" -

*- collectively referred to as "**the Parties**" -*

Preamble:

The Buyer is a holding company and has sole or majority shareholdings in the following listed entities:

- STORCH Malerwerkzeuge + Profigeräte GmbH, Wuppertal, Germany
- STORCH Schweiz AG, Kirchleerau, Switzerland
- Ciret GmbH, Wuppertal, Germany
- Ciret Ltd., Portsmouth, England
- Ciret SAS., Uberach, France
- Ciret Iberia S.L., Bilbao, Spain
- STORCH Italia, Milan, Italy
- Ciret s.r.o., Pelhrimov, Czech Republic
- Ciret SK s.r.o. Myjava, Slovakia
- Ciret Sp. Z o.o., Straszyn Poland
- Color Expert Ro s.r.l, Tirgu Mures County, Romania
- Color Expert-Storch LV SIA, Riga, Latvia
- Ciret Pte. Ltd., Singapore
- Cristin Paintroller Mfg. Ltd., Beijing, China
- FIA ProTeam GmbH, Berka, Germany
- FIA ProTeam s.r.o., Pelhrimov, Czech Republic
- proTeam Brush Mfg. Ltd., Zheijang, China
- Storch-Ciret Sourcing GmbH, Wuppertal, Germany
- Storch-Ciret Sourcing China Co. Ltd. / proteam direct Hangzhou, China
- Storch-Ciret Logistics GmbH, Berka/Vacha, Germany
- Storch-Ciret Business Services GmbH, Wuppertal, Germany

The Parties enter into the following agreements with the condition that the Buyer is entering into this Agreement as representative of the Storch-Ciret Group, which shall apply equally to all parent entities, affiliates and subsidiaries as well as to all existing and future entities in which Storch-Ciret Holding GmbH holds a sole or majority interest.

The Supplier shall supply the Buyer with goods and is interested in continuing to supply the Buyer with such goods in the future.
Compliance with national and international legal requirements in the country of manufacture and distribution forms the minimum standard required for this purpose. Those requirements constitute the basis for all products provided by the Supplier to Storch-Ciret and determine the contractually agreed minimum quality of the products.
If more stringent requirements are to be met, this is additionally regulated in the document Overview of Special Limit Values for Chemicals, see Annex 1, which is an integral part of this Agreement.

It is also crucial that the Supplier complies with its obligation to inform Storch-Ciret and provides it with the necessary information.

Taking this into account, the Parties agree on the following:

1. Scope of application

1.1 These Agreements apply exclusively, unless modified by explicit written agreement between the two Parties, to all orders placed by the Buyer with the Supplier. These Agreements also apply if the Buyer accepts deliveries of goods from the Supplier and if the Supplier has conflicting terms and conditions of sale which do not however form the basis of the contract.

1.2 In order to be effective, this Agreement must be signed by the Supplier and either a scan of the signed Agreement is to be sent to the Buyer by email or the original signed Agreement sent by post.

1.3 These conditions shall constitute the basis for all future individual contracts between the Buyer and the Supplier - with simultaneous exclusion of any general contractual conditions to the contrary.

1.4 If more stringent requirements are to be met, this is additionally regulated in the document Overview of Special Limit Values for Chemicals, see Annex 1, which is an integral part of this Agreement.

1.5 The Buyer's general terms and conditions of purchase shall otherwise apply unless more specific provisions defined by the CDS take precedence over them.

2. Quality standard and Supplier's obligation to cooperate

2.1 Products must comply with the agreed description (e.g. specification, data sheets, drawings) and / or the approved samples.

2.2 The Supplier guarantees that the goods it supplies, including packaging and labelling, comply at the time of delivery with the applicable statutory, officially ordered, state of the art and agreed provisions with respect to quality, declaration and limit values - including the applicable European regulations and directives and German laws.

2.3 The Supplier undertakes to have the products continuously checked for quality and to document compliance therewith. Specifically, this also includes regular chemical testing of the products by an accredited testing institute. At the request of the Buyer, evidence of such tests shall be provided to the Buyer without delay.

2.4 The Supplier shall in each case immediately check whether a description submitted by the Buyer is obviously incorrect, unclear, incomplete or obviously deviates from the

approved sample. If the Supplier discovers that the above is the case, it shall immediately notify the Buyer in writing.

2.5 All products supplied by the Supplier must be produced within the context of the statutory provisions and in accordance with the current state of science and technology. Such requirements are not conclusively specified in this Agreement. The Supplier undertakes in particular to conduct risk-based tests on the products and to inform the Buyer immediately in the event of any irregularities - and in particular in the event of limit values being exceeded.

2.6 The Supplier must communicate all the requirements of this CDS to its sub-supplier and must ensure that they are complied with. Where the Supplier is a wholesaler or intermediary, these requirements are to be applied at all stages up to the production of the goods, whereby the wholesaler or intermediary assumes responsibility for these activities and monitoring.

2.7 The Supplier must notify the Buyer 24 months in advance of any changes in production processes, materials or subcontracted parts for the products, relocation of production sites, and any changes in procedures or equipment for testing the products or other quality assurance measures, in order to enable the Buyer to assess whether the changes may have a significant adverse effect.

2.8 The Supplier remains responsible for the quality of its products and services. Audits or other procedures by the Buyer do not exempt the Supplier from its responsibility.

2.9 Claims will be dealt with in the form of immediate measures at the latest within 2 days.

2.10 The Supplier will also provide, upon request, all information required by the Buyer to fulfil its commitments.

2.11 If the Supplier ascertains a non-conformance of the actual quality of the products from the target quality, the Supplier shall immediately notify the Buyer of this and of any planned remedial measures. The cause of the defect must be clearly identified and understood. The severity must be determined and defined. The Supplier shall also inform the Buyer immediately of any resulting delays in delivery.

2.12 The Supplier must notify the Buyer immediately if products cannot be delivered in the future or cannot be delivered in the previous form and manner.

2.13 The legal acts listed below constitute a non-exhaustive summary of the applicable regulations and are intended only as a guide.

3. Compliance with legal and additional contractual requirements for product compliance / product safety

The products distributed by the Buyer must conform without exception to the statutory requirements for products in the European Union and the respective member states. These requirements also constitute the basis for the quality requirements of the products to be supplied by the Supplier.

The legal requirements constitute the minimum requirements for the products, unless otherwise contractually agreed (in particular in the document Overview of Special Limit Values for Chemicals, which forms an integral part of this Agreement, see Annex 1). The more stringent value shall take precedence each time in the case of limit values.

In this respect, references to legal regulations are for clarification purposes and are not conclusive. Consequently, even without such references, the relevant statutory provisions shall apply, insofar as the applicability has not been expressly excluded by the Parties or differing agreements have been reached in terms of content.

The current version of the European legislative acts can be found under the link https://eur-lex.europa.eu/.

The German laws can be found under https://www.gesetze-im-internet.de/aktuell.html.

3.1 Generally valid safety requirements

3.1.1 Generally valid safety requirements for products are regulated in the European Union by Directive 2001/95/EC on general product safety. In Germany, the Product Safety Directive is incorporated into national law by the Product Safety Act (ProdSG).

3.1.2 According to § 3 para. 2 ProdSG, a product may only be made available on the market if it does not endanger the safety and health of persons when used for its intended purpose or under expected misuse. Products that have specific legislation regarding their safety are considered safe if they comply with these legislations. Where no such legislation exists for a product, it is considered safe if it does not endanger the health and safety of persons. The intended purpose, the expected misuse, the usual or expected duration of use, the type of use and the generally recognised rules of technology must be considered.

3.1.3 Consumer products are subject to the additional requirements of § 6 ProdSG. These specifically include the obligation to provide product labelling and information.

3.1.4 The Supplier is obliged to comply with these requirements.

3.1.5 The Supplier shall also be obliged to assist in the event of necessary market measures such as warnings, product withdrawals or recalls. In such cases, the Supplier shall provide the Buyer with any necessary information.

3.2 Registration obligation, substance restrictions and communication obligations in accordance with the REACH Regulation.

3.2.1 As an EU based company, the Buyer is obliged to comply with the rules of European chemicals regulations, in particular the REACH Regulation (EC) 1907/2006 (Registration, Evaluation and Authorisation of Chemicals). This comprises compliance with all obligations in connection with the registration, evaluation, classification, restriction and authorisation of products as well as all notification obligations stipulated by the REACH Regulation.

3.2.2 The Supplier shall inform the Buyer immediately of any REACH registration obligations in relation to the products it is to supply.

3.2.3 The Supplier shall ensure that all products to be supplied comply with the restrictions regulated in Annex XVII to the REACH Regulation. The current version of the REACH Regulation (incl. Annex XVII) is available under the following link: EUR-Lex - 02006R1907-20140410 - EN - EUR-Lex (europa.eu).

3.2.4 Products must not contain any SVHC substances. Exceptions are only permitted if the Supplier has previously informed the Buyer of this in writing and the Buyer has given its approval. If products delivered on the basis of the Buyer's approval contain so-called SVHC (Substances of Very High Concern) in quantities >0.1% by mass, the Supplier must notify the recipients of the products in writing prior to delivery.
The Buyer is also obliged to inform the ECHA under certain conditions. These obligations arise, in particular, from Article 33 of the REACH Regulation and the requirements for the obligation to notify the SCIP database of the ECHA.
The notification according to Section 3.2.5 must be made in writing at the latest at the time of order acceptance (sending of the Sales Confirmation/Proforma Invoice). Such obligation shall commence as soon as the respective substances have been included in the Candidate List. The Supplier is obligated to always base its assessment on the latest status of the Candidate List. The ECHA Candidate List can be found under the following link: https://echa.europa.eu/de/candidate-list-table.

Consequently, the Supplier has the following obligations in particular:

- The Supplier shall inform the Buyer without delay if substances on the ECHA Candidate List are present in the products it supplies in a concentration of more than 0.1% by mass (w/w). For complex products (total product consisting of several individual products), the reference point for the 0.1% by mass (w/w) is not the total product, but each individual product. This also applies to any type of packaging material.

3.2.5 In the case of an obligation to notify, the following specific information must be communicated to the Buyer in writing:

- Designation and parts list(s) of the products affected;
- Designation and item numbers of the sub-assemblies containing SVHC;
- Item categories (GTIN number) of the products and sub-assemblies concerned;
- Material category of the SVHC containing components,
- Place of production (EU, NON EU);
- SVHC substance identification (name, EINECS, CAS);
- Mass percentage in the product / sub-assembly;
- In case of suppliers from the EU, the SCIP number;
- Information on safe use.

3.2.6 The Supplier guarantees that no substances subject to authorisation (substances in accordance with Annex XIV of REACH Regulation (EC) No. 1907/2006) are contained in the products it supplies to the Buyer.

3.3 Substance restrictions according to REGULATION (EU) 2019/1021 on persistent organic pollutants (POP Regulation)

3.3.1 Persistent organic pollutants (POPs) can harm humans and the environment. The Stockholm Convention requires states worldwide to ban specific POPs or to ban or restrict their production, use, import and export. All substances listed in Annex I of the POP Regulation may not be introduced to the market (considering the listed exemptions). This applies to substances as such, as well as to substances in mixtures and products. The current version of the POP Regulation is available under the following link: https://eur-lex.europa.eu/legal-content/DE/ALL/?uri=CELEX%3A32019R1021.

3.3.2 The Supplier must specifically observe the restrictions listed in Annex II of the Regulation. This applies to substances individually, as well as to substances in mixtures and products.

3.4 Substance restrictions under the ChemVerbotsV

3.4.1 The Supplier is obligated to comply with the requirements of Annex 1 of the ChemVerbotsV (Chemicals Prohibition Regulaton) This particularly concerns the prohibitions on placing formaldehyde, dioxins and furans, pentachlorophenol and artificially produced biopersistent mineral fibres on the market.

3.4.2 The Supplier shall immediately inform the Buyer in writing if the supplied products are subject to sales restrictions pursuant to Annex 2 of the Chemicals Prohibition Regulation.

3.5 Packaging

The Supplier guarantees that all packaging material (specifically sales packaging and export cartons) at the time of delivery complies in particular

- with the following requirements of Directive 94/62/EC and the German Packaging Act including all annexes, and
- with the limit value for the content of lead, cadmium, mercury and chromium VI of 100mg/kg (total).

3.6 Conflict minerals

3.6.1 The EU Conflict Minerals Regulation (EU) 2017/821 is aimed at curbing trade in the four minerals - tin, tantalum, tungsten and gold - which in some cases help to finance armed conflicts or are mined using forced labour. The current version can be downloaded at: EUR-Lex - 32017R0821 - EN - EUR-Lex (europa.eu).

3.6.2 The Supplier guarantees that the products comply with the requirements of the EU Conflict Minerals Regulation.

3.6.3 The Supplier is obliged to provide the Buyer with all documents and information required to fulfil the obligations arising from the EU Conflict Minerals Regulation and which enable the Buyer to comply with the respective due diligence regulation.

3.7 Minimata Agreement

The Supplier guarantees to comply with the Minimata Agreement, according to which no products containing mercury (such as particular light bulbs or thermometers) are produced or sold.

4. DURATION

This Agreement shall continue for an indefinite period of time and may only be terminated for exceptional cause during the duration of the supply relationship between the Buyer and the Supplier.

5. OTHER

5.1 Amendments, supplements and additions to this declaration and Agreement shall be made in writing with express reference to this Agreement. The written form requirement may itself only be waived in writing.

5.2 The present declaration and Agreement shall be governed exclusively by the laws of the Federal Republic of Germany. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

5.3 The registered office of the Buyer or the subsidiary placing the order shall be the exclusive place of jurisdiction for all disputes arising from or in connection with this declaration and Agreement as well as its implementation.

5.4 The proposal for the conclusion of this Agreement shall be valid for four weeks after it is received by the Supplier.

5.5 Should individual provisions of this contract be or become invalid, this shall not affect the validity of the remainder of this agreement. The parties agree to replace the invalid provision with a valid provision that corresponds as closely as possible to the economic purpose of the invalid provision. The same shall apply in the case of a loophole in the Agreement.

This declaration takes effect when signed by the Supplier and sent to the Buyer.

_____ _____

Place, Date

_____

Name and function of the signatory

_____ _____

Supplier signature Supplier stamp

Annex 1: Overview of Special Limit Values for Chemicals (page 8-11)

Substance	Limit Value	Requirements
PAH (Polycyclic aromatic hydrocarbons)	Benzo[a]pyrene: < 0.5 mg/kg Benzo[e]pyrene: < 0.5 mg/kg Benzo[a]anthracene: < 0.5 mg/kg Benzo[b]fluoranthene: < 0.5 mg/kg Benzo[j]fluoranthene: < 0.5 mg/kg benzo[k]fluoranthene: < 0.5 mg/kg Chrysene: < 0.5 mg/kg Dibenzo[a,h]anthracene: < 0.5 mg/kg Benzo[ghi]perylene: < 0.5 mg/kg lndeno[1'2,3-cd]pyren: < 0.5 mg/kg Sum of: Phenanthrene, pyrene, anthracene and fluoranthene: < 10 mg/kg Naphthalene: < 2 mg/kg Sum of 15 PAHs: < 10 mg/kg	All contactable components are to be tested. The PAH limit values according to AfPS-GS-2019:01 (category 2b) apply. The limit values apply per component. If there is a conspicuous odour, non-contactable components must also be tested
Phthalates/plasticisers	Each < 1000 mg/kg for the following plasticisers: DINP, DIDP, DNOP, DHNUP, DIHP, DMEP, 1.2 benzenedicarboxylic acid dipentylester, DIPP, nPIPP, DPP, DnHP, 1,2 benzenedicarboxylic acid, di-C6-10 alkyl ester, mixed decyl and hrxyl and octyl diester with 0.3 % dihexyl phthalate	The following components are to be tested: Soft plastics PVC, PVDC, PVA, PU Rubber Coatings Adhesives
Dimethylformamide (DMFa)	< 200 mg/kg	The following components are to be tested: Synthetic textiles Foamed polymers, e.g. polyurethane, ethylene vinyl acetate, cellular rubber Synthetic leather
Cadmium (and its compounds)	< 50 mg/kg	The following components are to be tested: Plastics Rubber Textiles Coatings Metal components with expected skin contact
Lead (and its compounds)	< 90 mg/kg	The following components are to be tested: Plastics Rubber Coatings Textiles Metals

Substance	Limit Value	Requirements
Chlorinated phenols	Each < 0.5 mg/kg für PCP, TeCP und TriCP	The following components are to be tested: Textiles made from natural fibres (e.g. cotton, wool, blended fabrics). Leather Wood, wood-based materials Natural material of plant and animal origin (e.g. rattan, bamboo, straw, sea grass, coconut fibre, jute, water hyacinth, feathers)
SCCP (Short-chain) Chlorinated paraffins (C10-13)	< 1000 mg/kg	The following components are to be tested: PVC Rubber Soft plastics Synthetic textiles Synthetic leather
MCCP (Medium-chain) Chlorinated paraffins (M14-17)	< 1000 mg/kg	The following components are to be tested: PVC Rubber Soft plastics Synthetic textiles Synthetic leather
Alkylphenol and Alkylphenol ethoxylates (APEO)	Each < 100 mg/kg for nonylphenol, octylphenol and their ethoxylates	The following components are to be tested: Plastics with expected skin contact Textiles with expected skin contact
Triclosan	< 0,5mg/kg	The following components are to be tested: Products made of plastic, products in leather and in textiles that may be antimicrobial treated
Formaldehyde	< 50 mg/kg	The following components are to be tested: Natural fibre textiles Wood and wood-based materials Leather Natural material of plant and animal origin (e.g. rattan, bamboo, straw, sea grass, coconut fibre, jute, water hyacinth, feathers)

Substance	Limit Value	Requirements
Organotin compounds/ Organostannic compounds	Each < 0.10 mg/kg for the following compounds: Monobutyltin (MBT) Dibutyltin (DBT) Tributyltin (TBT) Tetrabutyltin (TeBT) Monooctyltin (MOT) Dioctyltin (DOT) Triphenyltin (TPT) Tricyclohexyltin (TcyT)	The following components are to be tested: Soft plastics Elastomer Rubber Synthetic textiles Paints/coatings Coated leather
Formamide	< 200 mg/kg	The following components are to be tested: Polymer foams Synthetic leather Rubber without skin contact
Acetophenon	< 30 mg/kg	The following components are to be tested: Polymeric foams with expected skin contact Synthetic leather with expected skin contact Rubber with expected skin contact
2-Phenyl-2-Propanol	< 30 mg/kg	The following components are to be tested: Polymeric foams with expected skin contact Synthetic leather with expected skin contact Rubber with expected skin contact
Bisphenol A	< 1000 mg/kg	The following components are to be tested: Synthetic resin Plastics (polycarbonate, soft PVC)
Chromium	< 100 mg/kg	The following components are to be tested: Plastics Rubber Coatings Textiles
Boron	< 160 mg/kg	The following components are to be tested: Wood and wood-based materials Bamboo Rattan

Substance	Limit Value	Requirements
Packing		
General		The following requirements apply to sales packaging and outer packaging: - no PVC/PVDC - no polystyrene foam - no styrofoam - no chlorinated compounds