

## STANDARD TERMS AND CONDITIONS OF PURCHASE ORDER

**1. TERMS OF PURCHASE ORDER.** These standard terms and conditions of purchase shall govern and form an integral part of the purchase order together with all of its attachments (if any) and are collectively referred to as "PO". The PO is issued by subsidiaries under the IOI Oleochemical Group ("Buyer") to the party responsible for supplying goods and/or services ("Supplier"). Except where specifically agreed otherwise in writing by the Buyer, these terms and conditions would apply and shall become a binding contract between Buyer and Supplier.

**2. WARRANTY.** Supplier warrants that the goods supplied will conform to the specifications, drawings, samples or other descriptions contained in the PO and will be of satisfactory quality/workmanship and free from defects. Services provided will be performed in a professional manner and in compliance with all applicable laws, rules, regulations, codes and ordinances, and all of Buyer's safety and other requirements. Unless otherwise stated in the PO or contract, the warranty period shall be twelve (12) months immediately following the written acceptance of the goods by the Buyer.

**3. DELIVERY.** Supplier shall deliver the goods and/or perform the services by the delivery dates set forth in the PO unless mutually agreed. Penalties may be imposed if Supplier fails to meet agreed schedules in accordance to the Buyer's calculation. Supplier shall ensure that all deliveries are suitably packed to avoid damage in transit or in storage, marked and delivered or shipped in accordance with the Buyer's requirements and all applicable laws or regulations. The Supplier shall include delivery order, bills of lading or other shipping documents as required by the Buyer. Non-conformance to this condition shall render the goods liable to non-acceptance by the Buyer. Such goods may be rejected or held by the Buyer at Supplier's risk.

**4. ACCEPTANCE.** Buyer shall have a reasonable period of time after delivery or performance within which to inspect and accept the goods or services. The receipt of goods or services, the inspection or non-inspection of or payment for the goods or services, will not constitute acceptance of the goods or services and will not impair Buyer's right to (i) reject non-conforming goods or services, (ii) recover damages and/or (iii) exercise any other remedies to which Buyer may be entitled. Further, acceptance of goods or services will not waive any rights or remedies accruing to Buyer as a result of any breach of the PO. Rejected goods may be returned to Supplier or otherwise disposed of at Supplier's own costs and expenses.

**5. PRICE AND TAXES.** Price and delivery terms are final and as stated on the PO. Unless otherwise agreed in writing, prices shall include (i) all costs to comply with the terms and conditions of the PO; (ii) any and all taxes including sales, excise, value-added and others; and (iii) fees, duties or other governmental impositions on the sales of goods and services under the PO.

**6. INVOICING.** Supplier shall invoice Buyer for the amounts due under the PO. Submission of invoices shall be through the Buyer's online portal, e-mail or any such method instructed by the Buyer. Buyer shall pay Supplier all undisputed amounts after receipt of a valid invoice subject to the pre-agreed payment terms. Delays in receipt of goods or services, acceptance of goods or service or a valid invoice will be just cause for the Buyer to withhold payment.

**7. CONFIDENTIALITY, PROPRIETARY INFORMATION & MATERIALS.** All drawings, specifications and other copyrightable documents and any moulds, dies, tools, equipment, recipes, trade secrets, patents, trademarks or the like furnished by or on behalf of Buyer are for use solely with respect to the PO. Supplier shall not disclose any information concerning this PO nor advertise or announce or allow to be announced that goods and/or services have been rendered to this PO to any third-party without the written consent of the Buyer. Supplier agrees to keep confidential the terms and conditions of the PO and all proprietary information disclosed by or on behalf of Buyer or otherwise learned or obtained by Supplier in connection with the PO or the performance hereof. Supplier shall not use any of this information other than in connection with the performance of the PO and shall not disclose any of this information except to the extent required by law and then only after prior notice to Buyer.

**8. AUDIT & INSPECTION.** Buyer has the right to audit and inspect the records and facilities of Supplier and Supplier's agents, representatives and subcontractors used in performance of the PO or relating to the goods or services to the extent reasonably necessary to determine Supplier's compliance with the PO. Supplier shall provide Buyer with reasonable assistance, including without limitation, access to buildings, appropriate personnel and work space. Audits/inspection may be conducted at any time including during the manufacture and construction, or preparation, notwithstanding any prior payment.

**9. RISK OF LOSS.** Unless otherwise specified in the PO, Supplier shall retain the risk of loss and/or damage to the goods until the goods are physically delivered to Buyer. This includes goods belonging to Buyer taken out to Supplier's premises for repair, rework and the like.

**10. INDEMNIFICATION.** Supplier agrees to indemnify and hold harmless Buyer, its affiliates and their directors, officers, employees, agents, and representatives from and against any and all liability, loss, damage, fine, penalty, cost or expense (including reasonable attorneys' fees) to the extent arising out of or resulting from (1) any non-conforming good or services; (2) any alleged or actual, direct or contributory infringement or misappropriation of any patent, copyright, trade secret or other

proprietary right arising from the purchase, use or sale of the goods or services provided by Supplier; (3) any leak or spill of any materials, substances or chemicals while being transported or delivered to Buyer or while on Buyer's premises; (4) any breach by Supplier of any term or condition contained in the PO; (5) the use of any Buyer's materials or any person in the employ of Buyer to perform any of the services under the PO and/or (6) the negligent acts or omissions, or wilful misconduct of Supplier, Supplier's subcontractor's, employees, agents, representatives and any person performing services under the PO.

**11. CANCELLATION/TERMINATION.** Buyer may cancel a PO prior to shipment of the applicable goods or performance of services by providing written notice to Supplier or may immediately terminate the PO, even after shipment, by providing written notice to Supplier in the event (i) Supplier breaches any term or condition of the PO; (ii) becomes insolvent; or (iii) subject to any proceeding under any bankruptcy or any insolvency law.

**12. FORCE MAJEURE.** Each party will be excused from a failure to perform or a delay in performance to the extent caused by events beyond its reasonable control such as acts of God, fires, floods, windstorms, explosions, riots, natural disasters, wars and sabotage. The party claiming excuse from performance must take reasonable efforts to remove the cause of its inability to perform or its delay in performance and must give prompt written notice to the other party of the event, specifying its nature and anticipated duration. If Supplier's performance is excused or delayed for more than twenty (20) calendar days, Buyer may terminate the PO by giving Supplier written notice, which termination will become effective upon receipt of notice. If Buyer terminates the PO, Buyer's sole liability will be to pay any balance due for conforming goods and services delivered by Supplier before receipt of Buyer's termination notice.

**13. INSURANCE.** Unless otherwise agreed in writing, Supplier represents and warrants to Buyer that it has in place with reputable insurers such insurance policies in coverage amounts that would be maintained by a prudent supplier of goods and services similar to the goods and services provided hereunder, including, as applicable, professional errors and omissions liability insurance and comprehensive commercial general liability insurance. In addition, Supplier shall take out and maintain, at its own cost, such insurance policies and coverages as may be reasonably required by Buyer from time to time. Supplier shall promptly deliver to Buyer, as and when requested, written proof of such insurance.

**14. WAIVER.** Buyer's failure or delay to insist upon the performance of any term or condition of this PO, or to exercise any right hereunder, shall not be construed as a waiver of the future performance of any such term or condition or the future exercise of such right.

**15. ASSIGNMENT/SUBCONTRACTING.** Supplier shall not assign or subcontract its rights and obligations under the PO without the prior written consent of Buyer. Supplier's permitted assignment or subcontracting of this PO or any part thereof will not release Supplier of its obligations under this PO, and it will remain jointly and severally liable with the assignee or subcontractor for any obligations assigned or subcontracted. The acts of omissions of any subcontractors of Supplier shall be deemed to be the acts and omissions of the Supplier.

**16. SEVERABILITY.** If any provision of this PO is determined to be unenforceable or invalid for any reason whatsoever, in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part thereof and all other provisions shall continue in full force and effect.

**17. LEGAL COMPLIANCE & WORKPLACE SAFETY.** In carrying out its obligations under the PO including the performance of services, Supplier shall at all times comply with all applicable laws, regulations, standards, and codes. Supplier shall obtain all applicable permits, licences, exemptions, consents and approvals required for the Supplier to manufacture and deliver the goods and/or perform the services. The Supplier shall at all times also comply and ensure all persons for whom it is responsible (including sub-contractors) shall comply with all policies, rules, regulations, restrictions, guidelines, directives and orders of the Buyer.

**18. BUSINESS ETHICS.** The Buyer is committed to maintain highest levels of integrity, honesty and business ethics as set forth in our Business Ethics, Compliance, Anti-Corruption, Anti-Money Laundering Policy (see <https://www.ioigroup.com/governance>) and Supplier Code of Conduct (see [https://www.ioioleo.com/pro\\_downloads.html](https://www.ioioleo.com/pro_downloads.html)) Suppliers shall at all times comply to these aforesaid policies and codes.

**19. GOVERNING LAW.** This PO is governed by the laws of Malaysia and any dispute arising from the PO will be resolved in the courts in the jurisdiction of the Buyer. The following international conventions will NOT apply to the PO: (i) the Uniform Law on the Sale of Goods and the Uniform Law on the Formation of Contracts for the International Sale of Goods, (ii) the United Nations Convention on Contracts for the International Sale of Goods of 1980 and (iii) the United Nations Convention on the Limitations Period in the International Sale of Goods, concluded in New York on 14 June, 1974, and the Protocol Amending the Convention on the Limitations Period in the International Sale of Goods, concluded in Vienna on 11 April, 1980.