

Agreement on Quality Assurance
concerning deliveries to
Weckerle Cosmetics GmbH

Weckerle Cosmetics-AQA

Please date and sign this document and return it to your Weckerle contact person.

Datum	Änderungsindex	Name
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1. General

The company Weckerle Cosmetics GmbH expects its suppliers to deliver optimal quality with the investment of economically justifiable time and effort. The term optimal quality in this case does not mean the highest possible quality of a product, but rather the fulfilment of all specified requirements based on the zero-error philosophy. Therefore, the requirements of the customers are crucial for Weckerle Cosmetics GmbH. In order to achieve this objective, Weckerle Cosmetics GmbH has set up an effective Quality Management System. The contractual partners agree in this system that high optimized quality and reliability can only be attained if the business relationship is based on cooperation as equal partners in the manufacture of products, the inspections accompanying the process as well as the testing equipment to be used. Weckerle Cosmetics GmbH undertakes to inform its suppliers about all known and specified requirements regarding the products. The supplier shall examine this information with due diligence. Notification of any discrepancies, particularly objections or deviations from the « Principles of Good Manufacturing Practices » in accordance with article 8 of European regulation no. 1223/2009. Should discrepancies arise, the supplier is responsible to clarify with Weckerle Cosmetics GmbH. Such clarification has to be carried out prior to materials or raw materials being produced and/or delivered.

2. Scope of Application

This agreement on quality assurance concerning deliveries to Weckerle Cosmetics GmbH (hereinafter referred to as "AQA") is binding for all suppliers of purchased goods.

The AQA is part of the contractual relationship and, together with the supplier contract, the purchasing and ordering conditions of Weckerle Cosmetics GmbH and any other agreements concluded with the supplier, forms the legal framework for the business relationship with Weckerle Cosmetics GmbH, whereby the status of the individual integral parts of the contractual relationship is specified in the supplier contract. The current version of the VQS applies in each case.

3. Demands on the quality management System of the supplier

The supplier undertakes to set up and maintain a quality management system which comprehensively regulates the processes relevant to assured quality and is based on GMP and ISO 9001 requirements. Weckerle Cosmetics GmbH (Sales and Quality Management departments) must be notified of changes to the supplier's quality management system, such as the withdrawal of a certification, within 48 hours of the change.

4. Audits and inspection rights

The supplier permits Weckerle Cosmetics GmbH and - if requested by Weckerle Cosmetics GmbH - also the customers of Weckerle Cosmetics GmbH to carry out process, procedural or system audits. The content and objectives of the audits are determined by Weckerle Cosmetics GmbH, the audits are carried out after prior agreement regarding the timing. The supplier undertakes to enable an audit no later than 48 hours after a quality problem has occurred. Within the framework of the audits, Weckerle Cosmetics GmbH has an unrestricted right to information about the goods to be manufactured for Weckerle Cosmetics GmbH as well as the supplier's equipment necessary for the manufacture. The findings within the scope of the audits at the supplier, especially the classification of the supplier, are based on the supplier evaluation by Weckerle Cosmetics GmbH, which is at the sole discretion of Weckerle Cosmetics GmbH. Weckerle Cosmetics GmbH and the supplier undertake to treat all information that comes to their knowledge during the audit as confidential. The supplier is free to conclude appropriate confidentiality agreements with the customer of Weckerle Cosmetics GmbH.

regarding all information relating to the audit. Weckerle Cosmetics GmbH is entitled to have checks carried out on compliance with the VQS's obligations during regular operating hours in the supplier's production facilities itself or by agents with 48 hours' notice and justification, in exceptional cases unnoticed at the customer's request, provided that certain products for Weckerle Cosmetics GmbH are manufactured or stored. As far as possible, the supplier reserves the right to grant himself and Weckerle Cosmetics GmbH the right to do so in the case of any sub-suppliers.

5. Supplier evaluation

Weckerle Cosmetics GmbH reserves the right to classify the supplier into categories by means of a supplier evaluation. The evaluation criteria are at the sole discretion of Weckerle Cosmetics GmbH and cannot be influenced by the supplier. Accordingly, the supplier has no right to information regarding the modalities of the implementation of the classification. Weckerle Cosmetics GmbH will primarily base its classification on the parameters "product quality", "process quality" and "delivery performance". Weckerle Cosmetics GmbH will inform the supplier of the result upon request or, without being asked, if the supplier evaluation changes.

6. Specifications – Special Releases

The supplier is responsible for ensuring that the products supplied fully comply with the agreed specifications. Changes require the prior written confirmation by Weckerle Cosmetics GmbH. Series deliveries that deviate from the specifications are not permitted. Changes to the limits in the specification of a product within a series delivery need to be agreed separately if required. The supplier commits to inform Weckerle Cosmetics GmbH within 24 hours of the occurrence of all circumstances which could affect the properties of the products ordered. Any changes to the product properties must always be handled in accordance with point 11. If the change is temporary, e.g. if a batch is produced incorrectly, special written approval from Weckerle Cosmetics GmbH (responsible: Sales and Quality Assurance) is required. Affected batches may only be sent to Weckerle Cosmetics GmbH after the special release has been given in writing by Weckerle Cosmetics GmbH. The supplier will inform Weckerle Cosmetics GmbH (responsible: back office and quality assurance) within 24 hours of the occurrence of any problems that have already occurred or are imminent, insofar as they may impair the quality or reliability of the products delivered or endanger future deliveries.

7. Documents/Quality records

The supplier must introduce and maintain a quality management system based on GMP and ISO 9001 requirements for the identification, modification, collection, archiving and distribution of quality records. The system must ensure that appropriate records are made for each delivery to Weckerle Cosmetics GmbH. The sub-suppliers also maintain a quality management system based on GMP and ISO 9001 requirements. Weckerle Cosmetics GmbH must expressly approve an exception to the standard of the quality management system. In the case of facts that require documentation, the supplier is obliged to fully document the quality assurance measures taken by him or his sub-suppliers and their results and to keep them for a period of at least 10 years after creation

8. Planning/Quality Planning

The supplier keeps the documents required according to Article 11 of the EC Cosmetics Regulation 1223/2009 ready for inspection by the authorities. If necessary, parts of it, such as Part B of the safety report or the manufacturing process, are passed on to Weckerle Cosmetics GmbH on request. The supplier must ensure its product quality in the product development phase and in the event of changes by using QM methods demonstrably effectively. In addition, the supplier must list all production and inspection steps in internal documents that he must keep available. Features to be monitored are to

be specified and the type of monitoring to be indicated. The supplier must provide evidence of process control and process capability for all important features (control dimensions, chemical characteristics) by recording the measurement data and their statistical processing. The supplier must statistically check and document these characteristics in the manufacturing process. Weckerle Cosmetics GmbH reserves the right to make further special product-specific quality assurance specifications for the supplier for critical materials.

9. Labelling and Traceability

The systematic labeling of products, materials and raw materials ensures the recognition of the inspection status and the identification of the delivered products, materials and raw materials. The traceability of products, materials and raw materials (also insofar as they are obtained from sub-suppliers) is to be guaranteed via this labelling and the accompanying documentation.

10. Corrective action and warranty agreement

If Weckerle Cosmetics GmbH discovers that the products delivered by the supplier deviate from the specification - apart from the special releases under point 6 - the supplier will be notified of these defects (test report with non-release or complaint). If the supplier is responsible for the deviation, Weckerle Cosmetics GmbH can charge the supplier a flat rate sum of € 100.00 for the preparation of an inspection report for the assertion of possible claims due to defects per article delivered. The supplier is obliged to initiate corrective actions immediately and to maintain the supply of goods. In the event of an order being urgently required, the supplier must immediately provide appropriate personnel for sorting, reworking or to put together a defect-free replacement consignment. Should it be necessary to return the consignment, the supplier is obliged to collect the goods within three working days at his own expense. A debit note is issued automatically, which is offset accordingly in the event of a new delivery. The initiated corrective measures must be communicated to the issuer of the inspection report by means of an 8D report within the specified period. his corrective action is to be examined to determine its sustained effectiveness in the case of future production.

Should additional costs be incurred due to delivery of defective products/materials/raw materials which the supplier is responsible, also such costs shall be fully reimbursed by the supplier. Except as otherwise agreed upon in writing with Weckerle Cosmetics GmbH, this also, in particular, applies to additional creations of value regarding the products/materials/raw materials.

For the purpose of limiting damage, Weckerle Cosmetics GmbH reserves the right – in the event of a defect whose cause it not a matter of contention between the supplier and Weckerle Cosmetics GmbH – to arrange for the faulty products/materials/raw materials to be disposed of directly on the premises of the end customer without a separate analysis by the supplier.

Any rights of Weckerle Cosmetics GmbH regarding defects in accordance with the law and/or on the bases of any other agreements (particularly supplier's contract and terms of procurement and order) shall remain unaffected.

11. Sampling, initial samples and batch delivery

In the case of sampling, the products manufactured by the supplier must be submitted to Weckerle Cosmetics GmbH (R&D or quality assurance) or a third party designated by Weckerle Cosmetics GmbH for inspection. If Weckerle Cosmetics GmbH or the third party decides on a sample submitted by the supplier, the supplier must immediately provide the specification and other documents and information requested by Weckerle Cosmetics GmbH.

Furthermore, the supplier ensures that the initial samples and the products manufactured in series correspond to the properties of the specification in every respect (especially regarding quality). Initial samples are products that are completely manufactured using standard equipment and under standard conditions. Initial samples must be presented to the QA team at Weckerle Cosmetics GmbH, presenting a certificate of analysis, the specification and batch number. Weckerle Cosmetics GmbH reserves the right to carry out an initial sample test itself or by a third party. The costs of the examination by third parties are defined on a project basis.

An initial sample is always required for new or changed products. In the event of changes of any kind (e.g. color, composition, ...), the changed features must be sampled again.

A series delivery is, by definition, a delivery of products manufactured in series after approval of the corresponding initial sample. It may only take place after the initial sample has been approved in writing. If this is not possible due to scheduling reasons, the supplier must obtain special approval from Weckerle Cosmetics GmbH. The supplier will keep all initial samples for a period that corresponds to the intended minimum shelf life of the initial sample product, but not less than three years, calculated from the time of the initial sampling. It must be stored properly and professionally.

For series production, the supplier provides the corresponding certificate of analysis for each batch. Weckerle Cosmetics GmbH reserves the right to have random samples tested in the same way as the first batches, even in the case of series production. If the test is commissioned to a third party, the costs are discussed as required and based on the occasion.

12. Material handling / storage / packing / dispatch

The supplier must set up and maintain a system for the correct identification of his products as well as for their storage (FEFO principle), packaging and shipping. The system must ensure that mix-ups, damage or impairments are prevented. Sample deliveries must be clearly identified as such, the recipient of the sample delivery must be listed (name and department).

13. Delivery commitment

The supplier must comply with the delivery obligations in terms of quality and delivery reliability. He must ensure that the series products are manufactured, checked and documented based on the specifications and that they comply with the specifications available to Weckerle Cosmetics GmbH. Weckerle Cosmetics GmbH must be informed immediately in the event of non-compliance. Costs for unscheduled tours caused by the supplier are to be borne by the supplier. At the same time, suggestions for improvement shall be submitted to Weckerle Cosmetics GmbH as to how additional tours can be avoided and the observance of delivery dates can be improved in the future.

14. Material-Monitoring

The supplier must ensure that only materials and processes are used which are permitted. In doing so, all legal and safety-related requirements for restricted, toxic, dangerous and prohibited substances must be considered. The supplier is obliged to collect and keep reference samples of the batches of products delivered.

15. REACH

The supplier undertakes to comply with the REACH regulation (regulation EC No. 1907/2006) regarding the delivered goods including packaging, if applicable. In particular, he assures that the delivered goods / products and their packaging do not contain any substances from the current candidate list in accordance with Art. 53 Para. 1 of the regulation

16. Social Standards

We expect our suppliers to ensure that nobody whose work contributes to the company's success is restricted in their human rights or suffers mental or physical harm through this work. This also implies that no children who are still of school age should be employed. We expect from our suppliers to respect the diversity of their staff, to pay fair wages, to provide good working conditions and workplace safety and to comply with legal requirements according to the ILO-Standard.

17. Testing facilities / inspection equipment monitoring

The supplier shall hold ready to measuring and testing equipment corresponding to the purpose of application which he requires for checking Weckerle Cosmetics GmbH specifications during serial production. The supplier must maintain test equipment management in line with the requirements of the GMP and ISO 9001 standards. Capabilities of measuring equipment must be proven for critical features.

18. Third-party liability

The supplier shall take out third-party business insurance in accordance with the scope of his liability and indemnification obligations. The insured amounts of this insurance shall be at least 10 million EUR per event of damage for personal injury and damage to property and 10 million EUR for each event of damage for pecuniary loss. The insured amounts may be increased but not reduced during the term of this agreement without the consent of Weckerle Cosmetics GmbH. The supplier undertakes to effect payment of the premiums within the stipulated time and in the full amount to diligently meet all other obligations arising from the insurance agreement. Upon request, confirmation of the insurance is to be made accessible to Weckerle Cosmetics GmbH within five working days.

19. Supplier's safety advice

In order to fulfill its duty of traffic safety, the supplier must provide his products with any necessary safety information. In individual cases, Weckerle Cosmetics GmbH will also request safety data sheets for the products if this is necessary or required by law. The assumption of the costs is to be discussed in each individual case. In this case, Weckerle Cosmetics GmbH must be notified of changes to safety data sheets immediately; Furthermore, Weckerle Cosmetics GmbH must be provided with updated safety data sheets immediately.

20. Duration / Validity

The AQA is valid for the term of the contractual relation between the supplier and Weckerle Cosmetics GmbH.

21. Miscellaneous

Should provisions of this VQS be wholly or partially void or unenforceable or lose their legal validity or feasibility later, this shall not affect the validity of the remaining provisions. The same applies if there is a gap in the VQS. Instead of the ineffective or impracticable provision or to fill the loophole, the partners will make an appropriate regulation that, as far as legally possible, comes closest to what the partners wanted or would have wanted according to the meaning and purpose, insofar as they would have considered the point at the conclusion of the contract.

The supplier names Weckerle Cosmetics GmbH and the companies affiliated with Weckerle Cosmetics GmbH a contact person for quality issues without being asked. If a contact person named by one party leaves the company, a new contact person must be named immediately for the other party.

place, date

name of supplier

signature of contact person

name/position in block letters

To be signed by the contact person at Weckerle Cosmetics GmbH:

Eislingen,

Weckerle Cosmetics GmbH

(signature)

(name/position in block letters)