

	<u>German law</u>	<u>Swiss Law</u>	<u>French Law</u>	<u>Laws of Ohio, New Jersey, New York, Delaware</u>	<u>Dutch law</u>
<u>Specific legal requirements</u>	Legislation based on EU Directive 2011/7/EU on combating late payments in commercial transactions	Since Switzerland is not a member state of the EU, European Directive 2011/7/EU is not applicable.	Legislation based on EU Directive 2011/7/EU on combating late payment in commercial transactions	None	Legislation based on EU Directive 2011/7/EU on combating late payments in commercial transactions
<u>Provision</u>	Art 286 BGB	No provisions	Art L441-10 of the French commercial code Mandatory rules which cannot be bypassed by French companies submitting supply agreements to another applicable law than French law.	None	Article 6:119a(4) of the Dutch Civil Code
<u>Default payment term</u>	A payment is always due immediately if the parties have not agreed to specific deviating payment terms	Swiss law does not provide for any standard payment term. the principle of contractual freedom applies. Hence, in the absence of a contractually agreed payment term, a creditor may usually request immediate payment .	30 days if non contractual payment term has been agreed between the parties	Payment is due upon the later of delivery or end of the inspection period . (UCC 2-320 as enacted in each state)	30 days
<u>Longer payment terms</u>	Parties are generally free to agree to payment terms of up to 60 days from the receipt of the invoice . A longer payment term is only valid if the parties expressly agree to it and if this extended payment term is not grossly unfair to the creditor	Parties are always free to agree to extended payment terms . No specific circumstances are required for such a contractual arrangement	Parties may decide to extend the standard payment term provided that such agreed payment term does not exceed the following maxima 60 days from the date of issuance of the invoice 45 days end of month from the date of issuance of the invoice 45 days from the date of issuance of the invoice for periodic invoices	Parties are always free to agree to extended payment terms . No specific circumstances are required for such a contractual arrangement	Large companies as a purchaser cannot agree to a payment term longer than 60 days in new contracts with small and medium-sized companies which are their suppliers. Regarding other cases , the law allows payment terms longer than 60 days, as long as this does not unfairly impact the creditor.
<u>Penalties for breach of payment terms</u>	The creditor would be entitled to statutory interest at the rate of 9%	Since there is no specific payment term legislation, there is no penalty imposed for breaching such legislation.	An administrative fine up to €2 million and the publication of the sanction in case of an infringement of French payment terms legislation	No mandatory interest unless awarded by a court.	The clause can be null and void and the creditor is entitled to a statutory interest at the rate of 9%

We have analyzed the laws of the various countries in which our competitors are located to find out what their practices are in terms of payment terms. We can observe that contractual freedom is present in every countries except in France, where the payment terms cannot exceed 60 days.

Regarding the DSM-Firmenich merger, three of its entities are based in Switzerland and one of its entities is located in the Netherlands (Food & Beverage/Taste & Beyond) . We can observe that the Firmenich's Dutch entity is not at a disadvantage compared with what applied when the entity was Swiss, meaning the contractual freedom of the parties regarding payment terms and their extension.