

General Conditions of Purchase

1. Validity of the conditions

- a) These conditions of purchase form the exclusive basis for all our purchases of goods and services, orders, requirements or call-offs with all our suppliers. These conditions also apply to all future commercial relationships with suppliers even if they are not expressly included again.
- b) We hereby expressly reject general terms and conditions of the supplier that conflict with our conditions of purchase. Our conditions of purchase also apply exclusively if we, in an isolated case, do not reject the inclusion of the conditions of the supplier or accept the latter's order without reservation in the knowledge that the supplier has conflicting or supplementary terms and conditions. We are not bound by the supplier's commercial confirmation letter even if we do not expressly reject it.
- c) We can make changes to our conditions of purchase at any time should market conditions arise that require us to make these changes and if the supplier does not object to the changes within 4 weeks of notification.

2. Orders and conclusion of a contract

- a) Orders, contracts concluded and call-offs, as well as changes and additions to them, are made in writing or a means of telecommunication (fax, email etc.). Verbal agreements of any kind, including subsequent changes and additions to our conditions of purchase, require our written confirmation or a confirmation by a means of telecommunication (fax, email etc.).
- b) If the supplier does not accept our offer to conclude a contract or our order within two weeks, we are entitled to withdraw it. Call-offs and delivery deadlines are binding if the supplier does not reject them within three working days of receipt.
- c) Cost estimates from the supplier are binding. They are not to be reimbursed unless otherwise agreed.
- d) The supplier is not entitled to assign to third parties its claims arising from this contractual relationship.
- e) If the supplier intends to stop the production or sale of contract products, it shall notify us of this at the earliest possible opportunity, although at the latest six months prior to production or sale being stopped. In this case, the supplier shall give us the opportunity to acquire a year's worth of the products at an unchanged price.

3. Prices and dispatch costs

- a) The relevant prices here are those stipulated in our order plus any VAT due. If a price is not explicitly stipulated in our order, the prices for the previous order shall apply, or the agreed price for call-off orders or, in the event that there is no explicit agreement in this respect, the price for the last delivery. All the prices are fixed prices.
- b) Price increases must be expressly acknowledged by us. Recalculation of prices is excluded.
- c) All prices include all packaging and other cost of providing material, unless otherwise agreed. This applies correspondingly to any ancillary costs such as travel costs, provision of tools etc.

4. Issue of invoices

- a) Invoices are to be sent by email as a searchable PDF. Printed invoices can not be accepted. Invoicing by way of cash-on-delivery consignments will not be accepted. The invoices must show our order number, the supplier number and item numbers as well as the day or dispatch and/or delivery.
- b) For domestic deliveries, a separate invoice showing the VAT must be issued.

5. Delivery and packaging, transfer of risk

a) Unless otherwise agreed, the goods shall be delivered "FCA Place of Dispatch" in accordance with Incoterms 2010 and must be accompanied by delivery documents. The delivery documents must contain the following information:

- Two copies of the delivery note
- Packing slip
- Material certificates, test certificates and cleaning certificates in accordance with the agreed specifications.

b) Agreed dates and deadlines are binding and deliveries fall due on the agreed delivery date at the destination. The crucial time for compliance with the delivery deadline or with the delivery period is when the goods arrive at our premises. The supplier must provide the goods punctually for loading and dispatch, taking into account the transportation time to be agreed with the carrier. Should the supplier not comply with the agreed dates or deadlines, it is regarded as being behind schedule without the need for a reminder. The statutory regulations apply in all other respects. The supplier must inform us immediately as soon as it becomes apparent that it cannot comply with the agreed delivery dates or deadlines. Any unconditional acceptance of the delayed delivery or performance does not mean that we renounce the claims we are entitled to assert due to delayed delivery or performance. This applies until we have received full payment of the fee owed to us for the delivery or performance concerned.

c) Partial deliveries and deliveries ahead of schedule are only permissible if we have expressly agreed to these.

d) The order number, supplier number, our item number, the gross and net weight, number of packages, the type of packaging (disposable/reusable), the dispatch date and/or supply date, the destination (unloading point) and, if known, the consignee, are to be indicated in all dispatch documents and, if the goods are packaged, on the outer packaging.

e) With imports, the supplier must provide us with the following customs documentation:

- Transit accompanying documents,
- Shipping documents,
- Customs invoice or commercial invoice,
- Proofs of preference,
- Certificate/document of origin and, if necessary,
- Additional documents necessary for customs.

f) The supplier must also ensure that the information for the customs application procedure is complete and correct and is sent early to the office responsible for submitting the customs declaration so that the procedure cannot result in any delivery delays.

g) The supplier must also inform us, comprehensively and in writing, of any authorisation requirements that apply with (re) exports in accordance with the respective national export and customs regulations, in addition to the country of origin of the goods and services, if the supplier is aware that the goods or services are destined for (re) export.

h) The supplier must also carefully package the goods with packaging materials permitted both on the dispatch route and at the destination so that transport damage is avoided. The supplier is fully liable should damage occur due to unsuitable packaging.

i) With domestic deliveries, the supplier shall, at our request, pick up or have picked up all repackaging, transport packaging and sales kit at the destination.

- j) Hazardous goods and/or hazardous materials are to be packaged, labelled and dispatched in accordance with applicable national and international regulations.
- k) The benefits and risk of loss, of damage and of any other form of deterioration shall be borne by the supplier until the goods are properly loaded onto the means of transportation. In the case of agreed official acceptance, with our acceptance in the acceptance report. Mere payment, including unconditional payment, of invoice amounts does not take the place of official acceptance. If assembly/servicing is agreed with a delivery, the risk is only transferred upon the proper implementation of the assembly/servicing and upon handover. Partial deliveries are never permissible unless we have expressly agreed to them or this is acceptable to us.
- l) In terms of quantities, weights and dimensions, the values determined by us at the incoming goods inspection shall apply. The supplier reserves the right to prove otherwise.

6. Payment

- a) Payments shall be made by means of transfers after acceptance of the delivery, receipt of a checkable invoice and handover of all documents pertinent to the scope of delivery.
- b) Unless otherwise expressly agreed in writing, we pay either within 30 days with a 3% discount or within 60 days without any discount. We are entitled to offset open claims against the supplier.

7. Warranty, liability

- a) The seller guarantees that the products are of high quality and have been manufactured in accordance with the best industry standards. The products are safe, marketable and suitable for their stipulated use, and comply with the specifications in every respect.
- b) We shall use the accompanying documents to check the goods delivered in terms of identity and quantity only and with respect to any externally apparent transport damage. We shall inform the supplier of any defects upon delivery within a reasonable period of time after having ascertained the latter and as soon as they are ascertained in accordance with our proper course of business.
- c) In the event of defects in the goods delivered to us or to be delivered to us, we are entitled, in addition to statutory claims, to choose either to have the goods repaired or to have new goods delivered. If the defects are not immediately rectified by the supplier, we are also entitled to rectify the defects ourselves at the cost of the supplier or to have them rectified by a third party.
- d) In the event of a delay in delivery, we are entitled, for each week of delay or part thereof, to request a contractual penalty of 1%, up to a maximum of 10%, of the order value. We reserve the right to assert additional claims. We can declare retention of the contractual penalty until payment of the invoice that follows the delayed delivery.
- e) In the event of other performance defects or other breaches of duty on the part of the supplier, the latter is liable in accordance with the statutory regulations. The limitation period for any warranty claims is three years from the delivery of the goods.
- f) The supplier undertakes to exempt us, at our first request, from any liability with respect to third parties or third-party liability claims that arise as a result of the manufacture, supply or storage of the products. This does not apply if the underlying occurrence can be shown to be attributable to our grossly negligent behaviour or deliberate misconduct. Our claims against the supplier lapse after reaching the end of the limitation period of the corresponding third-party claims, although at the earliest after ten years has passed from the time of delivery. The supplier shall immediately inform us of claims brought or asserted against it and shall provide us with all the relevant documents. If we are obliged to issue a product recall with respect to third parties due to an error on the part of the supplier, the supplier shall pay all costs associated with this.
- g) The seller is obliged to take out a comprehensive liability insurance policy, including product liability, with a well-known insurance company with appropriate minimum coverage per claim of CHF 5 million. The seller shall, without being requested to do so, provide us with proof every year of the scope of cover of the insurance policy.

h) In the event that a recall is ordered by the authorities or if we intend to implement a voluntary recall of the delivery items or end product, the parties must contact one another immediately and agree on the appropriate course of action. If the parties cannot agree on a joint course of action, we can determine under our own authority which activities are appropriate and will be implemented (including preventive customer service measures). The costs of such measures shall be paid by the supplier unless such measures are taken for reasons for which we are responsible. If an exchange of parts is necessary to rectify serial defects or it is necessary to inspect our products without this involving an exchange of parts, the supplier shall provide us with appropriate support, pay compensation and pay the costs that are incurred.

8. Origin and composition of the goods

- a) The supplier must indicate the origin of the goods (country of origin) in the commercial papers (in particular on the delivery note and proforma/customs invoice) and, if requested to do so, provide free of charge proof of preference and a certificate/document of origin regarding the origin of the goods and a (long-term) supplier declaration.
- b) The goods must fulfil the origin requirements of the bilateral or multilateral preferential agreement or the unilateral origin requirements of the general system of preferences for developing countries (GSP) in the case of deliveries within the scope of this movement of goods.
- c) The seller undertakes to store, for a minimum period of 10 years from the delivery date, documents regarding the manufacture, storage and supply of the products and to provide us with these documents if requested to do so.
- d) The supplier will not offer or supply us with any products that contain conflict minerals as defined by the Dodd–Frank Wall Street Reform and Consumer Protection Act. These are minerals containing tantalum, gold, tungsten and tin, the sale of which directly or indirectly finances armed groups in the Democratic Republic of the Congo or its neighbouring countries. The supplier is obliged to take measures to avoid materials and components that contain conflict minerals.

9. Minimum standards to be maintained by the supplier

- a) The supplier shall ensure that it, its subcontractors, personnel service providers, component suppliers, as well as the latter's subcontractors, personnel service providers and component suppliers, comply with health and safety regulations with respect to the staff employed and fulfil their obligations with respect to the payment of social security contributions. The supplier must take the latter into account when selecting its subcontractors and personnel service provided and to similarly oblige the latter to require their subcontractors and personnel service providers to document what the supplier must document in a comprehensible manner. There must be no form of illegal employment.
- b) Should the supplier breach one of the obligations contained in this paragraph, we are entitled to terminate the contract with the supplier for exceptional reasons and without notice or to withdraw from this contract. In addition, the supplier is liable to us for any damages that we incur as a result of the former breaching the obligations contained in this paragraph. This does not apply if the supplier is not responsible for the breach of obligation.
- c) The supplier shall not maintain any direct or indirect commercial or other connections with terrorists, terrorist associations or other criminal or anti-constitutional organisations. In particular, the supplier shall ensure, by means of suitable organisational measures as part of its commercial operations, the implementation of current embargos in the context of the supplier relationship that result from applicable Swiss and European regulations to combat terrorism and criminality as well as appropriate US and other applicable regulations, in particular through appropriate software systems. The supplier shall indemnify us against all claims and costs arising from a corresponding legal infringement by the supplier, its associated companies or employees, representatives or auxiliary persons – including appropriate legal and consultancy fees or fines or under administrative law.
- d) At our request, the supplier shall allow us to inspect unannounced its production facilities at any time. To this end, the supplier shall provide us with information, allow us to inspect relevant documents and papers and

also allow us to inspect the production processes for, and storage and transportation of, the products. This also applies to ad hoc audits and process analyses at the premises of subsuppliers, as well as audits by appointed bodies or authorities that arise from statutory or normative requirements. We may carry out the inspection in the premises of the supplier during regular business hours or commission third parties that have been obliged to observe confidentiality to carry out the inspection. If we so desire, the supplier shall also allow our customers, who have been obliged to observe confidentiality, to carry out the aforementioned inspections accompanied by us. We shall ensure that the supplier's commercial operations are disrupted as little as possible by our onsite activities.

e) The supplier is also obliged to comply with the Supplier Code of Conduct, [viewhere](#).

10. Means of production

a) Means of production, in particular drawings, factory standard sheets, models, templates, moulds, tool etc., that we provide to our supplier or that are manufactured or procured by the supplier in accordance with our specifications, may not be used for third parties without our consent, and in particular may not be sold to third parties or otherwise transferred to them. This applies correspondingly for the products manufactured with the help of these means of production. In addition, these may only be used for other purposes if we have given our consent for this.

b) After the completion of our orders, the means of production are to be returned to us without us having to request this.

11. Spare parts

a) The supplier shall maintain a stock of spare parts for the products supplied to us for a period of at least 10 years after delivery.

b) Should the supplier intend to stop the provision of production of spare parts, the supplier shall notify us of this in good time.

12. Confidentiality

We and the supplier undertake to treat as confidential all information arising from this commercial relationship, regardless of whether or this information has been designated as confidential. This does not apply to information that was already known to the other party or was known on the market prior to disclosure. This confidentiality obligation continues for a period of five years after the end of the commercial relationship. However, we are permitted to forward confidential information to group companies, advisers, customers and other third parties if these parties require the information to achieve the purpose of the contract between the supplier and us, and if the latter is correspondingly obliged to do so in accordance with one of these clauses.

13. Industrial property rights

a) The supplier is obliged to utilise our orders and associated details and information as business secrets in both a commercial and technical respect. This also applies for a period of five years after the conclusion of this agreement unless a longer period of time has been agreed between the parties. After the order has been processed, all documents and information are to be returned to us immediately at our request or destroyed. Exceptions to this are publically available information or information that the supplier has developed independently.

b) The supplier is responsible for ensuring that the use of the items it supplies does not fringe, directly or indirectly, domestic or international industrial property rights or other rights that do not enjoy any special legal protection. In addition, the supplier is liable for any indirect or direct damages that we may incur through the

infringement of such rights. In such a case, the supplier shall indemnify us against any reasonable legal prosecution or legal defence costs that we may incur.

14. Place of fulfilment, place of jurisdiction, applicable law and miscellaneous

a) Unless otherwise agreed, our registered office in Dübendorf, Switzerland, is the place of performance for both parties for all rights and obligations arising from this contact, as well as for deliveries, performance and payment.

b) The sole place of jurisdiction or all disputes arising indirectly or directly from this contractual relationship is our registered office in Dübendorf, Switzerland. However, we can also opt to use another place of jurisdiction.

c) These commercial terms and conditions and the entire legal relationship between our supplier and us are subject exclusively to substantive Swiss law. Application of the UN Convention on Contracts for the International of Goods dated 11.04.1980 is excluded.

d) The invalidity or unenforceability of individual provisions of these conditions of purchase shall not affect the validity of the remaining provisions. A legally permissible provision that comes as close as possible to commercial purpose of the invalid or unenforceable provision shall take the place of wholly or partially invalid or unenforceable provisions.