

General Conditions of Purchase GWF AG - 04/2024

1. General part

1.1 Premises

GWF AG (hereinafter 'Customer') strives for a good understanding with its Suppliers. In order to achieve their goals, the Customer depends on flexible and high-quality services from their Suppliers. The Customer would like to support their Suppliers and use all possibilities for optimisation in order to achieve the best possible cost/performance ratio. Suggestions and innovations for cost reduction potentials should be brought in by the Supplier. In order to actively promote this, a mutual relationship of trust is a prerequisite.

1.2 Validity

1.2.1 Exclusivity

These General Purchase Conditions (hereinafter also referred to as GPC) shall apply exclusively; Deviating provisions require the written confirmation of the Customer. They are part of all contracts and supplementary provisions that the Customer concludes with the Supplier. The applicability of the Supplier's general terms and conditions is explicitly excluded, regardless of the time the contract was concluded.

1.2.2 Invalidity of conflicting conditions

Terms and conditions of sale or delivery of the Supplier that contradict these GPC shall not apply, even if the Customer does not expressly object to them.

1.2.3 Scope

These GPC regulate the cooperation between the Supplier and the Customer. They contain regulations regarding the manufacture and delivery of the products or services ordered by the Customer according to agreed specifications, as well as regarding the issuance of offers based on the Customer's inquiries. Furthermore, the GPC regulate the general cooperation, ordering processes and shipping between the contracting parties.

1.3 Subcontractors

1.3.1 Definition

All of the supplier's business partners (dealers, suppliers, producers) who are included in the customer's ordering process by the Supplier and thus provide a service directly or indirectly for the Customer are hereinafter referred to as sub-contractors..

1.3.2 Information obligations

If the orders are subcontracted by the Supplier to subcontractors for treatment or further processing, the Customer may request additional information.

1.3.3 Extension of Confidentiality Obligation

The parties are obliged to use confidential information exclusively for the purposes of the joint cooperation specified in the preamble. The confidential information may not be copied, reproduced, transmitted, communicated or made accessible in any other way to other persons and companies without the written consent of the disclosing party. Likewise, the use of confidential information for purposes other than those relating to the joint cooperation is prohibited.

1.3.4 Extension of Scope

The Supplier is obliged to transfer all obligations that affect the Supplier to any subcontractors. In particular, the confidentiali-

ty obligations of the Supplier according to clause 2.1 of these GPC also apply to the subcontractors. Irrespective of this, the Supplier is liable to the Customer for all obligations of the subcontractors.

2. Contractual Arrangements

2.1 Confidentiality

2.1.1 Confidentiality obligations

The parties are obliged to keep all information, records, drawings, sketches, specifications and other data carriers provided by the other party secret, not to make them accessible to third parties and in particular not to use them for their own competitive purposes, unless there is express written consent by the other party. The documents serve exclusively for the manufacture and delivery of the ordered item.

2.1.2 Property rights

All documents, drawings, samples and details derived from them are made available to the Supplier on loan and remain the property of the Customer. They may neither be copied nor made directly or indirectly accessible to third parties. The Supplier acknowledges that all rights to the information remain with the Customer, in particular with regard to the acquisition of industrial property rights (intellectual property and neighbouring rights as well as entitlements to such rights). The Supplier will also not disclose confidential information to the public so that it becomes 'state of the art'. The Customer reserves the intellectual property rights to drawings, specifications, documents, models, etc. provided. Copies may only be made to the extent that this is essential for the manufacture or performance of the products and services ordered by the Customer.

2.1.3 Obligation to hand-over

The Supplier is obliged to hand over all documents received, including any copies made, at any time upon request or if the delivery fails to materialise. Digitally stored documents must be deleted upon request of the customer. The deletion must then be confirmed to the customer.

2.1.4 Extension to employees etc.

The Supplier is obliged to include their employees, bodies and auxiliary persons in this confidentiality obligation within the scope of the legal possibilities - also for the time after they have left the Company.

2.1.5 Compensation

In the event of violations of this confidentiality obligation, the Supplier owes compensation. The Customer also reserves the right to take legal action.

2.1.6 Expiry of confidentiality obligation

The confidentiality obligation does not come to an end with the completion of the delivery or service. It does not expire until four (4) years have elapsed, calculated from the date the order was placed.

2.2 Industrial property rights

2.2.1 No infringement of industrial property rights

The Supplier guarantees that the delivery and use of the ordered products and services by the Customer or their customers will

not infringe any copyrights and other industrial property rights (namely intellectual property rights) of third parties (collectively 'industrial property rights'), in particular patents, trademarks and other identifiers, rights to names or utility models,.

2.2.2 Indemnity

In addition, the Supplier is obliged to indemnify the Customer from all claims by third parties arising from the infringement of third-party industrial property rights. This includes full compensation of the damage resulting for the Customer, taking up civil proceedings initiated against the Customer as party or accessory party as well as paying for any fees for professional representation and court fees (cf. 2.2.3)

2.2.3 Judicial clarifications

The Customer will, at their discretion, defend themselves against allegations regarding the infringements of rights made by third parties. The Supplier will indemnify the Customer against all claims by third parties, if need by taking up the civil proceedings, and reimburse them for all expenses incurred, including legal fees.

2.3 Warranties

2.3.1 Material selection/production

The Supplier guarantees the use of flawless material and the correct choice of material in accordance with the agreed specifications. Furthermore, they are liable for the proper manufacture and compliance with the technical data and tolerances prescribed by the Customer in accordance with the contractually agreed specifications.

If the Supplier finds deviations from the Customer's specifications, they must inform them immediately, especially if this could result in a delay in delivery.

2.3.2 Warranty

For their deliveries and services and for the duration of the statutory limitation period, which begins with the delivery in the case of contracts of sale and with acceptance of the work in the case of work contracts, the Supplier warrants, taking into account clause 2.3.5., that the delivery item does not have any defects that would materially or legally negate or reduce the intended use or operation and that the item has all warranted, agreed and specified properties.

2.3.3 Notification of defects and responsibility of the Supplier

If deviations from the specifications or other defects are identified by the Customer, the Customer has the right to issue a notice of defects to the Supplier. The notice of defects must be delivered to the Supplier within 30 days of the defect being recognized. The notification of defects may be verbally, by e-mail or by post. In principle, the Customer is entitled to all warranty rights in accordance with the law. In principle, unless otherwise notified by the Customer, the following shall apply: Products that become unusable or defective within the statutory limitation period as a result of material, production or design faults or due to defective delivery or service must be repaired immediately by the Supplier or replaced at their own expense. The same applies if the delivered products are not of the agreed quality. In addition, the Customer reserves the right to assert the legal claims to which they are entitled. In the case of hidden defects, the period stated above begins to run at the time the defect is detected.

2.3.4 Rights of recourse

The limitation period for the Customer's warranty claims against the Supplier due to material or legal defects of a newly

manufactured item sold to an end customer is 10 years. The Supplier explicitly accepts this extension of the statutory limitation period (cf. Art. 210 para. 1 and Art. 370 para. 3 CO). Claims for damages remain unaffected.

2.3.5 Repair at the Supplier's expense

In urgent cases, in particular to avert acute dangers or to avoid excessive damage or if the Supplier is late in remedying defects, the Customer can remedy the defects themselves at the expense of the Supplier. This also applies if the delivery date has been exceeded.

2.4 Liability

2.4.1 Product Liability Claims and Indemnification

The Customer's claims arising from product liability and other statutory provisions are expressly reserved. In the event that a claim is made against the Customer by a customer or another third party due to product damage - for whatever legal reason - the Supplier is obliged to indemnify the Customer against such justified claims to the extent that the Supplier is responsible for the cause of the damage. In this context, the Supplier assumes all costs and expenses - such as e.g. transport, installation and removal costs - including all legal costs. In particular, the Supplier is obliged to intervene as a party or accessory party in civil proceedings initiated against the Customer on the grounds of product liability. If the Customer and the Supplier do not agree on the Supplier's responsibility, the Supplier is nevertheless obliged to intervene in the proceedings. Regarding the assumption of costs and damages the parties undertake to conduct a joint mediation procedure following the civil proceedings.

2.4.2 Recalls

Recalls for which the Supplier or their subcontractors are responsible, must be carried out by the Supplier and at the Supplier's expense, with complete indemnification of the Customer.

2.4.3 Insurance

The Supplier undertakes, at their own expense, to take out sufficient, worldwide (incl. USA and Canada) liability insurance including product liability insurance to cover liability, which provides coverage of at least EUR 10 million per case of damage. At the request of the Customer, the Supplier will provide the Customer with appropriate proof.

2.5 Auditing

2.5.1 Cooperation

The Supplier will run a management system according to ISO 9001 and agree to have it audited by the Customer or a company designated by the Customer (supplier audit) if necessary. Compliance with ISO 14001 and ISO 45001 standards must also be observed and promoted as part of continuous improvement.

2.5.2 Confidentiality

The Customer undertakes to treat the Supplier's information obtained during the audit confidentially. The same also applies if an audit is carried out at a subcontractor.

2.6 Retention of ownership

The ownership of the products and semi-finished products produced by the Supplier is transferred to the Customer upon handover or delivery. The transfer of ownership takes place irrespective of whether the purchase price has already been paid (in part or in full) or has not yet been paid at all. The Customer is entitled to resell the products. This does not infringe the Supplier's property rights.

2.7 Advocating legal compliance

The Supplier is responsible for ensuring that their products, at the time of delivery, comply with all public law provisions, in particular the safety standards in laws and regulations that apply in the member states of the EU and in Switzerland. The Supplier must draw the Customer's attention to planned legal changes that may affect the use of the products, unless these are products or services that are manufactured exclusively for the Customer according to specific requirements by the Customer.

2.8 UN Global Compact

The Customer undertakes to work in accordance with the United Nation Global Compact minimum standard and expects the Supplier to comply with these standards as well.

In the event of non-compliance with the UN Global Compact, the Customer reserves the right to withdraw from their contract with immediate effect, without the Supplier having any right of recourse as a result.

2.9 Material compliance

The Supplier shall follow the latest applicable EU regulations and directives with regards to RoHS and REACH requirements. The Supplier shall have appropriate processes in place to assure they have up to date information in the event of changes or updates to the RoHS and REACH requirements. The Supplier will provide suitable Declarations of Conformity upon GWF's request.

2.10 Packaging

The Supplier is obliged to comply with the applicable packaging regulations. They fully indemnify the Customer from any claims for damages that are asserted against the Customer by third parties in this context. If necessary, the Customer will agree specific packaging regulations and product labels with the Supplier, which the Supplier will provide free of charge.

3. Orders

3.1 Offer

In the offer, the Supplier must adhere exactly to the Customer's non-binding inquiry with regard to quantity and quality and must expressly point out any deviations. The offer will be made free of charge for the Customer.

3.2 Prices

The Supplier and the Customer will endeavour to reduce the material and production costs via continuous process improvements and to negotiate prices based on this. The joint pricing agreement is to be made in Q4 with three (3) months notice. The negotiated prices will be fixed for one year in advance. Alternatively, project prices can be agreed.

In the event that the parties cannot agree on a reasonable price, an arbitrator appointed by the competent International Chamber of Commerce shall decide with binding effect for and against the parties.

3.3 Order acceptance

Each order placed by the Customer must be confirmed in writing by the Supplier within three (3) working days, stating a delivery date determined by the calendar. If the Customer does not receive the confirmation within five (5) working days after placing the order, the Customer is no longer bound to the order.

Changes, deviations and additions to the order by the Supplier require the prior written approval of the Customer. Otherwise it is invalid.

3.4 Delivery conditions

3.4.1 Incoterms

The costs for transport, import and customs clearance as well as the transfer of risk are based on the Incoterm clause to be agreed in each case in accordance with the globally applicable Incoterms 2020 of the International Chamber of Commerce.

3.4.2 Partial deliveries

Partial deliveries are only permitted with the prior written consent of the Customer and must be clearly marked as such.

3.4.3 Delivery time and dates

Delivery periods and dates are always binding and must be observed. The delivery period begins on the day of the order. Agreed upon delivery dates are regarded as deadlines. Thus, if the delivery date is not met by the Supplier, the Supplier is, automatically, in default.

3.4.4 Contractual Penalties

If there the Supplier is in default (clause 3.4.3), the Supplier owes a con-

tractual penalty of two (2) percent of the respective net contract volume per week of delay, but no more than ten (10) percent of the respective net contract volume. Each calendar week after the agreed delivery date is considered a week of delay. Payment of the contractual penalty does not release the Supplier from their contractual obligations; in particular, the Supplier must still provide the service and the Customer can demand the corresponding fulfilment. The Customer reserves the right to assert claims for damages.

In the event of force majeure, the contractual penalty is no longer in force.

3.4.5 Information obligation

As soon as the Supplier can assume that they will not be able to deliver all or part of the delivery on time, they must notify the Customer of this in writing without delay, stating the reasons and the expected duration of the delay.

3.4.6 Special right of withdrawal

The Customer reserves the right to withdraw from the contract after a delay of more than four weeks, calculated from the agreed delivery date. This withdrawal does not release the Supplier from their liability for damage caused to the Customer by the late delivery.

In the event that the late delivery is due to force majeure, which is attributable to the Supplier's sphere of risk, the Customer can also withdraw from the contract in accordance with the above provision.

In both cases, the Supplier is not entitled to any claims for compensation due to the right of withdrawal exercised by the Customer.

3.5 Force majeure

3.5.1 In general

Each party is entitled to suspend the fulfilment of their contractual obligations to the extent that this fulfilment is rendered (fully or partially) impossible by circumstances of force majeure. Force majeure is if an event beyond the control of one or both contracting parties (caused by natural forces or the ac-

tions of third parties), prevents one or both contracting parties from fulfilling the contract in whole or in part or makes it impossible (e.g. natural disasters such as earthquakes, tsunamis, forest fires; wars; armed uprisings; acts of terrorism; strikes and blockades affecting the public). Force majeure does not apply if the event or events of this kind could have been foreseen with the expected diligence and suitable and reasonable measures could have been taken against such events, at the time the contract was concluded or later, in order to avert them in whole or at least in part. Force majeure does not include, for example, strikes in the operations of a contracting party, pandemics and epidemics.

3.5.2 Necessary measures

The Supplier who invokes force majeure must inform the Customer by telephone immediately after becoming aware of the occurrence and in writing within two (2) working days and – if possible – inform the Customer of the probable end of such a circumstance.

3.6 Invoices/Payments

3.6.1 Formal Invoicing Requirements

For each delivery or service, an invoice in the form of a PDF must be sent by e-mail to buchhaltung@gwf.ch.

Invoices in electronic form (so-called e-billing) are not accepted. The wording of invoices must match the order references. In all Supplier documents, in particular in delivery notes and invoices, the following data must be given with regard to the ordered items:

- a. Customer's name and address
- b. Date of the order
- c. Customer's order number
- d. Customer contact person
- e. Item number and item reference
- f. Supplier's name and address
- g. Supplier's VAT number

Additional requirements for the invoices (and delivery notes) can be requested separately.

3.6.2 Incorrect invoices

Invoices which do not contain all of this information are not due and can be returned by the Customer at any time. In the latter case, the due date begins with the receipt of the correct invoice. Missing delivery documents, receipt at a delivery address other than that stated, incomplete information or errors will delay the payment period by as many days as are needed to remedy the defects caused by the Supplier. The time required to remedy the defect must be taken into account in the Supplier's dunning accounting. Rejected invoices are to be removed from the Supplier's dunning accounting. Invoices are only approved for payment if the quality requirements for all items in the same invoice have been met.

3.6.3 Partial invoices

Partial invoices are only possible if corresponding partial deliveries have been expressly accepted by the Customer.

3.6.4 Defective deliveries

If the delivery is defective, the Customer is entitled to withhold payment until the order has been properly fulfilled, without losing rebates, cash discounts and similar payment benefits.

3.6.5 Payment period

The period for paying the invoice begins on the working day following the postal or electronic receipt of a proper, verifiable

invoice or on the working day following the acceptance of the products or services, whichever date is later.

In the case of early acceptance of deliveries, the payment period only begins to run from the delivery date according to the order or from receipt of the invoice, depending on which date is later.

3.6.6 Payment conditions

The terms of payment are negotiated separately and can be seen on the order. If no payment terms have been negotiated, the following payment terms apply:

30 days less a 2% discount or 60 days net.

The time of payment has no influence on the Supplier's warranty and the right to complain according to clause 2.3.3.

4. Distribution

4.1 Letters/invoices

In letters, shipping notes, invoices, etc., the department, letter reference, number and date of the order letter must always be indicated. Each individual order must be treated separately in all correspondence (letters, shipping notes, invoices, etc.). Invoices should be sent to: buchhaltung@gwf.ch

4.2 Proof of origin

The Customer must be informed of the origin of the products on the order confirmation and on the invoice. When the products are delivered, the origin must be proven by a Supplier declaration in accordance with Regulation EU 952/2013. This requires at least the customs tariff number and the country of origin. The preferential origin is to be given if possible.

Depending on how the products are used and shipped abroad, the Customer can request or apply for additional information on the invoice.

4.3 Delivery

4.3.1 Marking

Each consignment must be accompanied by the corresponding delivery note without price information. The number of shipping units the entire shipment consists of must be stated. The package with the delivery note must be clearly marked.

Further details can be found in the Supplier requirements.

4.3.2 Liability for delivery costs

The Supplier is liable to the Customer for damages that the Customer incurs because the Supplier did not proceed in accordance with the provisions and delivery specifications stated above. All shipments that cannot be accepted for the aforementioned reason will be stored at the Customer's premises at the Supplier's expense and risk until the business transaction can be processed smoothly by sending in the correct papers and rectifying all the defects affecting the delivery.

The obligation to inspect the delivered products only exists once they are fully able to be inspected.

5. Final Provisions

5.1 Changes to the GPC and contractual agreements

The version of the GPC that was declared an integral part of the contract at the time the contract was concluded shall apply to the Supplier. This means that if the GPC are subsequently changed, the changes do not apply to the Supplier, unless the Supplier explicitly accepts them.

5.2 Invalidity of Individual Provisions

Should a provision of these GPC or of a contractual agreement between the Customer and the Supplier be or become invalid, this shall not affect the validity of the remaining provisions.

5.3 Governing Law

Swiss law applies exclusively to the contractual relationships between the contracting parties, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods.

5.4 Jurisdiction

The exclusive place of jurisdiction is Lucerne, Switzerland.