

General Terms and Conditions of Purchase

1. Scope

These General Terms and Conditions of Purchase (“GTCP”) are an integral part of all agreements, orders and requests for offers made between W. Althaus AG and its suppliers (collectively referred to as “the Parties”).

Deviating terms or the supplier's general terms and conditions are only valid if accepted by W. Althaus AG explicitly and in writing.

Statements in text form transmitted or recorded by electronic media are considered equivalent to written form, provided this is stipulated below or separately agreed in writing.

2. Contract Conclusion and Amendments

The supplier's offers are to be submitted in writing. Information, drawings, technical specifications and other requirements from W. Althaus AG form part of the quotation, unless otherwise agreed in writing.

Quotations by the supplier, including samples, prototypes, materials, services or other expenditures, are free of charge for W. Althaus AG, unless otherwise agreed in writing.

A quotation is valid for a period of 3 months unless otherwise agreed in writing.

A contract is deemed concluded when the supplier electronically confirms an order from W. Althaus AG in PDF format as per the requirements below.

Should the confirmation not be provided within three working days from the day after the order, W. Althaus AG may revoke the order in writing or electronically via email. This does not entitle the supplier to make any claims.

For orders without a price or with a suggested price, an order confirmation requires prior written approval from W. Althaus AG.

An order confirmation includes the following information:

The ordering company, the producing/delivering company, the VAT ID (value-added tax ID), contact details, name of the ordering representative from W. Althaus AG, customer number of W. Althaus AG, order number, quantity contract number, remaining contract quantity, order date, delivery conditions, product designation, materials that have to be declared as “dual use” goods, shipping method, payment terms, item number, quality designation, delivery quantity, discount, net price, separately listed VAT, delivery date and delivery location.

By providing an order confirmation, the supplier automatically commits to exercising all due diligence and maintaining transparency concerning minerals and metals from conflict areas and child labour, in particular applying and adhering to the Swiss Supply Chain Act (DDTrO) and the latest RoHS and REACH directives. In the case of deviations and violations, the supplier shall promptly inform W. Althaus AG and ensure that appropriate corrective measures are taken.

After the conclusion of the contract, W. Althaus AG is entitled to request reasonable changes, such as specifications, production, type and content of deliveries and/or services – in particular due to customer requirements, changes in standards, norms, legal requirements, etc. The supplier shall notify W. Althaus AG without delay, but no later than within 5 working days, about the impact of such changes, particularly on costs and schedules. The parties shall then find a mutual solution in a timely manner.

3. Packaging and Shipping of Deliveries

The supplier shall package and ship deliveries with the appropriate skill and care to avoid any damage. Compliance with the requirements of W. Althaus AG is mandatory. In case of doubt, the supplier shall inform W. Althaus AG about any potential hazards in due time before shipment. All goods items have to be clearly labelled.

Each shipment includes a delivery note with the following information:

- Delivery note number
- Complete order number of W. Althaus AG
- Contact person or name of the goods recipient
- Material number of W. Althaus AG
- Designation of the goods
- Delivery quantity and price per unit
- Information about partial and remaining deliveries
- Depending on the ordered material: Country of origin, customs tariff number and proof of preference
- Net weight in kg per unit

Deliveries shall be inspected before shipment to verify compliance with the aforementioned requirements.

The supplier issues the complete and legally binding transport documents in accordance with the requirements for a transport up to the place of performance, in compliance with the applicable regulations, or ensures that this is done.

The supplier is liable to W. Althaus AG for non-compliance with the aforementioned obligations and for failing to follow instructions regarding packaging, shipping and customs clearance.

4. Delivery and Service Compliance

The supplier guarantees that contractual components of deliveries or services always comply with the legal regulations and standards of the destination specified in the order. In particular, regulations regarding “conflict minerals” as per Sec. 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act are always observed.

Deliveries or services must always comply with the recognised standards of good practice at the respective designated destination. Swiss and EU-specific regulations must be fulfilled. In particular, this applies to the Machinery Directive 2006/42/EC, the Low Voltage Directive 2014/35/EU and the Electromagnetic Compatibility Directive 2014/30/EU, as well as their respective amendments.

The supplier is required to regularly verify which requirements related to the obligations from the aforementioned sections and any other conformity requirements must be followed. Upon request, the supplier is obligated to provide the necessary documents for the assessment of conformity. Should the supplier fail to comply with such a request, the contract is deemed improperly fulfilled, and W. Althaus AG has the right to claim damages.

5. Deliveries and Services

Unless otherwise agreed, deliveries are to be made DAP Aarwangen/CH (in accordance with Incoterms 2020).

Quantities delivered or services provided must not deviate from the agreed scope. Partial or advance deliveries and services are only permissible with the written consent of W. Althaus AG.

Agreed deadlines are binding. However, deadlines are reasonably extended if W. Althaus AG or third parties commissioned by W. Althaus AG are delayed in fulfilling contractual obligations, such as deliveries and specifications.

Deadlines are considered met when deliveries or services are provided with the agreed scope and on the agreed date at the agreed place of performance.

Should it be apparent or certain that deliveries or services cannot be provided by the agreed deadline, the parties shall promptly notify each other. This notification has to include the length of the delay, the reason(s) for the delay and a constructive solution proposal. Both parties shall make every effort to minimise delays as much as possible. In the case of time-sensitive contracts, the supplier is required to source replacements from third parties upon W. Althaus AG's request, taking into account the interests of W. Althaus AG.

W. Althaus AG is entitled to cancel deliveries or services free of charge, i.e. withdraw from the contract, if it becomes apparent that a deadline definitely cannot be met or if a deadline is exceeded by more than 4 weeks.

6. Goods Receipt Inspection or Service Evaluation

W. Althaus AG only checks deliveries and/or services for external transport damage, other obvious defects, as well as for identity and quantity, and shall notify the supplier of problems in these areas within ten days of receipt. W. Althaus AG is exempt from any further duty to inspect and to immediate reporting of defects to the supplier. Statutory inspection and objection obligations are waived, to the extent permitted.

Throughout the entire warranty period, W. Althaus AG is entitled to raise complaints about defects and to assert associated liability and warranty claims.

7. Prices, Invoicing and Payment Terms

Prices are considered fixed prices, unless otherwise specified.

For each order, a separate invoice shall be issued in PDF format in accordance with the applicable legal requirements. It is mandatory to specify whether it is a partial or final delivery or service. The value-added tax must be shown separately. Furthermore, invoices must include the delivery information specified in Section 2. The supplier is liable to W. Althaus AG for providing correct information, in particular regarding proof of the country of origin.

Invoices that do not comply with the aforementioned requirements shall not be processed until a properly prepared invoice is provided; payments associated with such invoices shall be deemed not due until then.

Unless otherwise agreed, the payment term is 60 days. The payment term commences upon receipt of the invoice.

Deficiencies in deliveries or services entitle W. Althaus AG to withhold a reasonable portion of the agreed price until they are rectified.

Unless otherwise agreed, advance payments require the submission of an irrevocable, first-demand bank guarantee from a first-class bank in the supplier's country.

8. Ownership, Copyright and Other Rights

Ownership of deliveries or services transfers to W. Althaus AG upon proper fulfilment at the destination, in the case of advance payments – if paid in full.

All rights to technical documents such as drawings, plans, product descriptions and specifications, as well as to software, patches, source codes, and other data and information, remain with the party that provides them or their licensors. Without prior written authorisation from the other party, their use is restricted to the agreed purpose; disclosure to third parties is not permitted without explicit consent. After termination of the contractual relationship for which they are needed – and, as per the instructions of W. Althaus AG, until no longer needed for customers – they must be returned free of charge, deleted or disposed of, including all copies. The parties shall affix the same intellectual property notices on all modifications and copies as those present on the original.

Materials, data and other items provided to the supplier by or via W. Althaus AG in connection with the execution of deliveries and services remain the property of W. Althaus AG or its contractual partners – regardless of any processing or treatment. They are to be labelled accordingly and stored separately until processing, assembly or installation.

When deliveries or services contain software, W. Althaus AG and its customers are granted a perpetual, global, non-exclusive, non-transferable, royalty-free right of use, as long as it is used unaltered and for the purpose described in the provided software documentation.

Unless otherwise agreed, W. Althaus AG is entitled to the same right of use for updates, patches and future versions of the software, including the right to distribute them to its customers.

The ownership of technical documentation, software and other intellectual work results created by the supplier in connection with the contractual relationship or resulting orders for W. Althaus AG is vested exclusively in W. Althaus AG. Upon first request, the supplier must hand over these in their entirety, including all information required for further use or development, such as source code or passwords.

The parties shall inform each other immediately if they should become aware of actual or alleged infringements of third-party rights.

9. Warranty and Liability

The supplier ensures that the agreed deliveries or services shall be delivered or installed in such a way that they are functional.

The supplier warrants that deliveries or services fully meet the contractual conditions in all respects. They must comply with the product specifications, assured properties, the current state of the art of science and technology, and the purpose for which they are acquired. Furthermore, they must comply with all applicable laws, standards and regulations (including those related to environmental issues, health and accident prevention) necessary for the fulfilment of the contract and resulting orders, particularly at the agreed place of performance.

The supplier is fully liable for deliveries or services rendered by its subcontractors and subsuppliers.

Defective deliveries or services entitle W. Althaus AG, during the warranty period, to exercise the following rights at its discretion and without prejudice to any other legal claims:

- a) Refusal to accept deliveries or services
- b) Withdrawal from the respective contract/order and reclaiming of advance payments and/or asserting damages
- c) Rectification or replacement delivery

If refused, deemed unreasonable, in urgent cases or if rectification or replacement by the supplier is impossible:

- a) Rectification or replacement of the defective delivery or service by a third party at the supplier's expense or
- b) Price reduction or
- c) Withdrawal (rescission) or
- d) A combination of the above-mentioned rights.

Should work by W. Althaus AG be necessary, the work may, at its discretion, be carried out either on its own premises or at the supplier's location. The supplier must grant W. Althaus AG unrestricted access for this purpose.

Deficiencies must be reported to the supplier within two calendar weeks of being identified.

The warranty period is 24 months from provision of the full and contractually compliant delivery or service. If longer warranty periods are stipulated by law or industry standards, those shall apply. For replacement deliveries or services as well as remedial actions such as repairs, the same scope of warranty shall be provided as for deliveries or services.

The supplier commits to guaranteeing the availability of spare parts and the provision of services at competitive rates for a minimum of 10 years, calculated from the date of the last delivery or service. Should the supplier intend to discontinue deliveries or services, it shall promptly inform W. Althaus AG, at the latest six months before the discontinuation. W. Althaus AG is granted a right of first refusal, at competitive terms, for deliveries or services that can still be fulfilled. Furthermore, W. Althaus AG has the right to directly source deliveries or services from the subcontractors and subsuppliers of the supplier, provided that its intellectual property rights remain unaffected.

10. Product Liability

The supplier is liable to W. Althaus AG for product defects caused by the supplier, its subcontractors or subsuppliers and, upon first request, is obliged to indemnify W. Althaus AG from third-party claims for damages. In the event that W. Althaus AG has to warn customers or recall products itself, the supplier is liable for the resulting costs.

The supplier is required to promptly notify W. Althaus AG of any possible errors and potential or actual hazards. The same applies to deliveries or services contributed to an order by W. Althaus or others.

The supplier undertakes to maintain product liability insurance with coverage appropriate to the technology and globally valid coverage for personal and property damage (coverage of at least CHF 5 million per occurrence), as well as for other damages such as installation and removal costs and recall expenses (coverage of at least CHF 1 million per occurrence), and to provide proof of insurance upon request by W. Althaus AG. The supplier hereby assigns all claims against the insurer to W. Althaus AG. W. Althaus AG accepts this assignment.

11. Confidentiality

Both parties agree to maintain mutual confidentiality. Neither the existence nor the content of the contractual relationship may be disclosed to third parties or made accessible to them by one party without the written consent of the other party. This applies in particular to the rights specified in these GTCP, but also to all other information such as trade secrets, order and contract details, business details including insights gained from them, technical specifications, samples, etc., as well as for customer relationships and advertising purposes.

The information is used solely for the execution and fulfilment of the agreed collaboration. Mandatory disclosure obligations to authorities are exempt.

The receiving party must treat the information with the same care as it takes to protect its own confidential information.

The parties restrict access to confidential information to employees, subcontractors and sub-suppliers, as well as their staff, who need it for fulfilling obligations related to the execution of work for quotations, the contractual relationship or orders arising from it.

The parties ensure that subcontractors and sub-suppliers participating in the quotation, contract or orders resulting from it also consent to the aforementioned confidentiality terms and undertake in writing to adhere to them.

Any confidentiality agreements previously concluded between the parties remain unaffected.

The aforementioned confidentiality obligations apply during the term of the contractual relationship and for a period of an additional 5 years after its termination.

12. Protection of Personal Data

The parties may exchange and use personal data such as names, telephone numbers, email addresses and other personal information exclusively within the scope of fulfilling their contractual relationships. They obtain the consent of the respective individuals in advance and treat the data with utmost confidentiality.

Each party processing and using personal data is responsible for the legality of its processing and for safeguarding the rights of the data subjects.

The parties mutually assure compliance with the respective applicable laws for the protection of personal data – especially the Swiss Federal Data Protection Act (FDPA) and the European Union's General Data Protection Regulation (GDPR).

The disclosure of this data to third parties without the consent of the data subjects is prohibited, except in the case of a legally permissible order by authorities.

13. Cybersecurity

If deliveries or services include software, firmware, integrated circuits, hardware and software components that could be manipulated, damaged or destroyed by means of digital attacks, the supplier ensures that they comply with the latest state of the art, software development and industry standards at the time of delivery or performance. The supplier guarantees that deliveries or services are free from vulnerabilities, malicious code and other security-related defects, and that best efforts are made to prevent, identify and remedy these. W. Althaus AG must be promptly informed of any security-related threats and events.

14. Force Majeure

In the event of force majeure, the contracting parties cannot be held liable for non-fulfilment of a contract.

15. Ethical Standards

The supplier commits to upholding or ensuring compliance with fundamental ethical standards for its activities, its employees and its contractual partners. This applies particularly to upholding human rights as per local laws and universal declarations of human rights by the UN, refraining from forced labour, avoiding discrimination against employees, rejecting child labour, adhering to relevant environmental regulations and standards, and abstaining from all forms of corruption.

16. Quality Audits

W. Althaus AG is entitled to inspect the manufacturing process of deliveries or services for W. Althaus AG at the supplier's premises, with reasonable advance notice and during normal business hours. The supplier also strives to facilitate this with its subcontractors and sub-suppliers. Suitable measures are assured to protect trade secrets.

17. Place of Performance

Unless otherwise agreed in writing, the place of performance for quotations, contracts, orders for deliveries or services, as well as for payments, is the business premises of W. Althaus AG in Aarwangen/CH.

18. Final Provisions

Should any provision of these GTCP be deemed invalid or unenforceable by a competent court or authority, that provision shall be considered void, while the remaining provisions shall remain fully effective. The parties shall replace any ineffective or unenforceable provision with an effective and enforceable provision that achieves a similar economic objective. The same applies in the event of gaps. Where these GTCP do not provide a regulation or where a regulation of these GTCP would be ineffective, the legal provisions shall apply.

The supplier may not assign or transfer the rights and obligations from a contract for deliveries or services, as well as from orders resulting therefrom, to third parties, either in whole or in part, without the prior written consent of W. Althaus AG.

19. Applicable Law and Jurisdiction

Quotations, orders and contracts for deliveries or services are subject to the laws of Switzerland. This excludes all conflict-of-law provisions, especially those of the CISG (United Nations Convention on Contracts for the International Sale of Goods dated 11 April 1980 – Vienna Convention).

The exclusive place of jurisdiction is Aarwangen/CH. However, W. Althaus AG is also entitled to assert claims against the supplier at its registered office or at any other legally permissible place of jurisdiction.