

### 1. § 1 General

These conditions of purchase regulate the contractual relationship between DGS Druckguss Systeme AG (hereinafter referred to as DGS) and its suppliers or service providers. They form part of the quotation requests, orders and purchase contracts etc. and are binding for the entire contractual relationship. Supplier's terms and conditions are only valid with express confirmation by DGS. Neither a failure to object, nor payment or acceptance of goods or services shall constitute an acknowledgement of third party terms and conditions.

### § 2 Ordering Process and Placing of Orders

**2.1.** The DGS request for quotation means that the Supplier is asked to submit a free and binding offer. It shall base its offer on the descriptions, requirements and objectives of DGS as Purchaser. If the Supplier does not accept an order in writing within two weeks of receipt, DGS is entitled to revoke it.

**2.2.** Placements of orders / purchase orders are only valid if they are transmitted in writing by letter, fax, EDI or e-mail.

**2.3** Where deliveries/services under a contract for work and services are concerned, the Supplier is not entitled to assign the execution of the respective contract in whole or in part without the written consent of DGS. The Supplier is obliged to name his subcontractors to DGS at the latter's request. The Supplier cannot assign its contractual claims against DGS to third parties.

**2.4.** DGS may revoke orders without compensation as long as the Supplier has not incurred any expenses; afterwards against payment of the corresponding proved expenses.

**2.5.** Verbal agreements must be confirmed in writing to be effective.

**2.6.** Documents communicated by DGS and relevant for the execution of the order are to be checked by the Supplier with regard to content. Any inaccuracies, contradictions or missing contents recognisable to the supplier must be communicated to DGS without delay

**2.7.** DGS is entitled to change the content of the order if necessary. The Supplier is obliged to execute the modified order unless this is technically impossible or otherwise unreasonable for the Supplier. If the change in the order leads to additional or reduced costs, the originally agreed remuneration must be adjusted accordingly

**2.8.** The business basis of the supply and service relationships with DGS is that the Supplier remains competitive with regard to prices, quality, innovation and security of supply. If a technically comparable competitive solution is below the price agreed with the Supplier, DGS can renegotiate the prices. If no agreement is reached within three months after the opening of renegotiations, DGS may terminate the supply and service relationship concerned with a notice period of at least three months without - with the exception of any purchase obligations according to previously made agreements - DGS incurring any obligations towards the Supplier as a result

### § 3 Deliveries

**3.1.** Dates or deadlines specified by DGS are binding; they are fixed dates, unless otherwise agreed in writing. The receipt of the fulfilment of the performance at the agreed place of delivery is decisive for compliance with the delivery dates or deadlines.

Partial deliveries are only permissible after prior agreement with DGS.

**3.2.** The Supplier is obliged to inform DGS immediately in writing if circumstances occur or become apparent which could cause a delay in delivery.

**3.3.** If the Supplier is in default, DGS may - in addition to further statutory claims - demand lump-sum compensation for the damage caused by the delay in the amount of 0.3% of the net price per full working day, but in total not more than 5% of the net price of the goods or service provided late. DGS reserves the right to prove that a higher damage has occurred. The Supplier reserves the right to prove that no damage at all or only a significantly lower damage has been incurred. The aforementioned lump sums for damages shall be deducted from any further damage caused by the delay. In the event of a fruitless extension of the deadline and in the case of loss of interest in the delivery, the additional expenses for covering purchases shall also be reimbursed by the Supplier.

**3.4.** The unconditional acceptance of a delayed delivery or service does not contain a waiver of the DGS claims for compensation due to the delayed delivery or service.

**3.5.** Unless otherwise agreed, the place of performance is the agreed place of delivery. The risk shall pass to DGS upon delivery at the place of delivery. The transport insurance costs shall be borne by the supplier.

**3.6.** In the event of Force majeure, the Supplier and DGS are released from their obligation to perform for the duration of this disruption to the extent of its effect. Force majeure are events that are unforeseeable and unavoidable and beyond the control of the affected party. The affected party shall immediately inform the other party of the circumstances that lead or may lead to a Force Majeure Event as soon as those circumstances become known to the party. The party affected by a Force Majeure Event shall do everything reasonable to overcome or mitigate it. Notwithstanding the foregoing, during the period in which the Supplier is affected by Force Majeure, DGS is entitled to manufacture the Item of delivery itself, to purchase it from third parties and/or to reduce the quantities ordered without DGS having to compensate the Supplier.

**3.7.** All costs caused by defective products or other breaches of duty will be charged by DGS to the Supplier.

**3.8.** All documents of the Supplier which are transmitted to DGS after conclusion of the contract, such as delivery notes, must contain a reference to the respective order number of DGS.

### § 4 Inspection of incoming goods, Deficiencies, Quality

**4.1.** The incoming goods inspection of DGS is limited to the identification of the goods, inspection of the delivery and inspection documents, determination of externally visible transport damage and a quantity check based on estimation.

**4.2.** Defective deliveries or services shall be reported by DGS to the Supplier in writing as soon as they are discovered in the course of ordinary processing. In this respect, the Supplier waives the objection of late notification of defects.

**4.3.** An Item of delivery is deemed to be defective in particular if it is not in accordance with the specifications and drawings, otherwise does not have the respective agreed quality, does not comply with otherwise agreed regulations, does not correspond to the samples provided by the Supplier, is not manufactured in

accordance with the state of the art, does not comply with all applicable legal requirements, infringes the rights of third parties or (insofar as the Supplier has not developed or manufactured according to the express specifications of DGS) is not suitable for the use presupposed by DGS (insofar as known to the Supplier).

**4.4.** The warranty period is 36 months, calculated from delivery. This also applies to products repaired or delivered as replacements.

**4.5.** If the Supplier, with the agreement of DGS, checks the existence of a defect or rectifies a defect, the Supplier shall be liable for the costs incurred. The expiry of the warranty period, beginning with the day of receipt of the notice of defect by the Supplier, is suspended until the Supplier DGS finally communicates the result of the inspection or declares the defect eliminated or refuses to continue the correction of the defect.

**4.6.** If DGS incurs costs as a result of defective delivery, in particular transport costs, travel costs, labour costs, material costs, dismantling and installation costs or costs for an incoming goods inspection exceeding the usual scope, the Supplier shall bear these costs.

**4.7.** DGS is additionally entitled to the statutory claims for defects without reduction. In urgent cases, especially to avert acute danger or to avoid greater damage or if the Supplier is in default in the fulfilment of his obligations, DGS can have defects remedied at the Supplier's expense or otherwise stock up with defect-free goods.

**4.8.** The Supplier has to comply with the recognised rules of technology, the safety regulations and the agreed technical data for his deliveries. Changes to the item to be delivered, to a production process that has already been approved or its relocation to another production site require the prior written consent of DGS.

**4.9.** DGS may carry out reasonable inspections and quality audits of the supplier's manufacturing processes and facilities at any time after reasonable notice and during normal business hours.

**4.10.** The Supplier undertakes to comply with all laws, ordinances and other binding public-law regulations applicable to its business and the products to be supplied by it.

**4.11.** If the Supplier supplies production materials for motor vehicles to DGS or renders services which are intended for motor vehicles, the regulations of the Quality Assurance Agreement DGS (QSV) / QRL - 141 (Edition 01.21) shall apply in addition and shall take precedence in the event of a conflict with these Terms and Conditions of Purchase. The document is available at <https://dgs-druckguss.com/en/corporate/purchasing>, but will also be sent on request.

**4.12.** If the Supplier supplies production materials for motor vehicles to DGS or provides services for motor vehicles, the following shall further apply:

- a) The Supplier maintains a quality management system based on the IATF 16949 in the currently valid version. Certificates from accredited bodies or 2nd party audits as well as equivalent QM systems such as VDA Volume 6 Part 1 and ISO 9001 with an automotive-specific focus can be recognised by DGS after prior inspection. The Supplier provides DGS with a copy of the respective current certificate. In case of withdrawal DGS has to be informed immediately.
- b) If the type and scope of the tests as well as the test equipment and methods are not agreed between the Supplier and DGS, DGS is prepared, at the Supplier's request, to discuss

the tests with the Supplier within the scope of its knowledge, experience and possibilities in order to determine the respective required state of the test technology.

- c) As far as authorities demand insight into the production process and the test documents of DGS for the verification of certain requirements, the Supplier agrees to grant them the same rights in his company and to provide any reasonable support.
- d) The Supplier will constantly check the quality of the delivery items. Furthermore, the contract partners will inform each other about the possibilities of further quality improvement.
- e) The Supplier undertakes to comply with the legal and official requirements, valid for Switzerland and the countries of the EU on banned substances and the handling of special materials.
- f) The Supplier shall ensure that the requirements of the EU Chemicals Regulation REACH (Regulation (EC) No. 1907/2006 (hereinafter referred to as "REACH") and Regulation (EC) No. 1272/2008 (hereinafter referred to as "CLP") as amended from time to time are complied with and in particular that the pre-registration and the registration are carried out in due time in each case. The Supplier is aware that the Products cannot be used if the requirements of REACH and CLP are not fully and properly met.
- g) The relevant components according to the EU End of Life Vehicles Directive (ELV) must be entered into the IMDS database by the supplier at his own expense and are thus deemed to be declared. Due to the EU End of Life Vehicles Directive, the Supplier is obliged to ensure the following: (i) Preparation and submission of a component-related concept for dehydration and pollutant removal; (ii) Compliance with the VDA 260 labelling standard for materials and components; (iii) Provision of a recycling concept for selected supplier parts after consultation with DGS; (iv) as high a proportion of recycling as possible and use of renewable raw materials after consultation with DGS.
- h) For products, materials and processes that require special treatment due to laws, regulations, other provisions or due to their composition or their effect on the environment or, inter alia, with regard to transport, packaging, labelling, storage, treatment, manufacture and disposal, the legal requirements of the country of manufacture as well as of the country of distribution and of the countries of the EU must be fulfilled by the Supplier. In this case the Supplier shall provide DGS with the necessary papers and documents in due time. In particular, all hazardous substances and substances hazardous to water may only be delivered after submission of an EC safety data sheet and successful release by DGS.
- i) The Supplier undertakes to be certified in accordance to ISO 14001 (environmental management) and to present it to DGS.

## § 5 Prices, Terms of Payment, Assignment, Retention of Title, Shipping Instructions

**5.1.** Unless otherwise agreed in writing, the prices agreed when the order is placed shall include all ancillary services required for the fulfilment of the contract, including transport. Packaging. Transport to the place of destination specified by DGS shall be at the Supplier's expense. Deliveries shall be made "DDP" (INCOTERMS 2020), unless otherwise agreed, including recyclable packaging.

**5.2.** VAT is not included in the prices.

**5.3.** Payments shall be made DGS net within 60 days of receipt of proper invoices in conformity with VAT and complete shipping, delivery and inspection documents, unless otherwise agreed.

## Conditions of Purchase

**5.4.** DGS is entitled to make payments also through another group company

**5.5.** Without the prior written consent of DGS, the Supplier is not entitled to assign its claims existing against DGS or to have them collected by a third party

**5.6.** The Supplier is not entitled to any retention of title on the goods it has delivered. Extended or prolonged retentions of title are not effective without the express written consent of DGS.

**5.7.** DGS's customs clearance requirements must be observed for the shipment of the contracted goods in accordance with <https://dgs-druckguss.com/en/corporate/purchasing>

### § 6 Liability, indemnity, insurance cover, subcontractors.

**6.1.** The Supplier guarantees that the delivered products comply with the legal requirements on product safety at the location of the Purchaser and in the member countries of the EU and that the corresponding declarations are supplied when required.

**6.2.** The Supplier is liable to DGS for direct and indirect damages as well as consequential damages caused by it due to breach of contract, defective delivery or other breaches of duty and in this respect also indemnifies DGS against claims of third parties.

**6.3.** If DGS or one of its direct or indirect customers carries out measures to avert danger (e.g. recall action), the Supplier is liable insofar as the danger or measure was triggered or contributed to by its improper performance, by material defects in its deliveries or other breaches of duty by the Supplier.

**6.4.** The Supplier undertakes to maintain a product liability insurance including a recall costs insurance with an appropriate sum insured and to provide evidence thereof upon request. The Supplier's liability is not limited to the amount of this sum insured. The Supplier hereby assigns the insurance benefit to DGS.

**6.5.** Unless otherwise agreed in writing, the Supplier will oblige his sub-suppliers or subcontractors accordingly for all obligations arising from the delivery and service relationships with DGS. In the absence of a written agreement to the contrary, the supplier's sub-suppliers or subcontractors are deemed to be the Supplier's sub-suppliers or subcontractors. In the absence of a written agreement to the contrary, sub-suppliers or sub-contractors of the Supplier are deemed to be the Supplier's vicarious agents and the Supplier assumes the same responsibility for their acts or omissions as for his own acts or omissions.

### § 7 Patents, property rights.

**7.1.** The Supplier warrants DGS that the use and resale of the Goods and Services ordered will be permitted without infringement of any third party rights including intellectual property rights and industrial property rights.

**7.2.** The Supplier shall indemnify DGS against all claims made by third parties against DGS in the event of infringement of third party rights.

**7.3.** In so far as the Supplier carries out development work for DGS for production material or means of production (in particular tools), the costs of which are reimbursed by DGS either separately and/or via the prices payable for the products (contract development), the following applies: As far as the work results are protected by industrial property rights, such as in particular, patents, utility models or copyrights of the Supplier, the Supplier grants DGS the non-exclusive, gratuitous, irrevocable, sub-

licensable, transferable, unlimited in time, place and content right to use and exploit these work results in any way at will.

### § 8 Compliance, Code of Conduct and Sustainability

**8.1.** The Supplier acknowledges the validity of the document "Code of Conduct / Compliance Guideline DGS Druckguss Systeme AG, St. Gallen" and will oblige its subcontractors accordingly. The document is available at <https://dgs-druckguss.com/en/corporate/purchasing>, but will also be sent on request.

**8.2.** In the event that a supplier repeatedly and/or despite a corresponding notice behaves unlawfully or violates legal or contractual obligations, DGS reserves the right to withdraw from existing contracts or to terminate them without compensation without notice or with an expiry period.

**8.3.** The Supplier is obliged to implement and maintain appropriate state-of-the-art technical and organisational protection measures for the proper security of DGS's information or data or the data transmitted to DGS.

**8.4.** During the performance of the service, the Supplier shall use the necessary resources (in particular materials, energy and water) effectively and efficiently and minimise the environmental impact (in particular with regard to waste, waste water, air and noise pollution). This also applies to the logistics/transport effort.

**8.5.** The Supplier undertakes, insofar as the provision of services can have or will have environmental effects, to introduce and operate a certified environmental management system according to ISO 14001 or a recognised and certified environmental management system derived therefrom by no later than two years after the placing of the DGS order and to prove this to DGS by submitting a corresponding certificate

**8.6.** Upon request, Supplier shall promptly provide DGS with such information to enable DGS to assess the quantitative evaluation of Contractor's resource efficiency in relation to the total annual order volume with DGS (e.g. total energy expenditure; CO2 emissions; total water consumption; process wastewater quantity; waste quantities; VOC emissions). In addition, the Supplier must provide DGS upon request with information (including data on the use of materials) for a life cycle assessment in relation to the delivery items or parts of the delivery items. In addition, the Supplier must provide DGS on request with information (including data on the use of materials) for a life cycle assessment with regard to the delivery items or parts of the delivery items in accordance with the data collection format for life cycle assessments of VDA.

**8.7.** The Supplier acknowledges its compliance with the principles and rights adopted by the International Labour Organization (ILO) in the "Declaration on Fundamental Principles and Rights at Work" (Geneva, 06/98), the guidelines of the UN Global Compact Initiative (Davos, 01/99) and the UN Guiding Principles on Business and Human Rights (2011).

### § 9 Data protection

**9.1.** If personal data concerning employees or business partners is exchanged between the Supplier and DGS, it shall be treated with the utmost care and confidentiality and in accordance with the applicable legal provisions on data protection. The Supplier shall obtain the consents required by law from its respective employees or business partners for the data processing.

**9.2.** The Supplier agrees that DGS may use the personal data of its contact persons necessary for the performance of the business relationship. This use includes, in compliance with the conditions prescribed by law, the transfer of the data within the DGS Group at home and abroad. Should personal data be transferred to group companies of the DGS Group which are located in countries without adequate data protection, the protection of the data will be secured by contractual data protection clauses.

### § 10 Confidentiality

**10.1.** The contractual partners undertake to treat all commercial, technical and organisational details which become known through the mutual business relationship as business secrets. Exempt from this is only information which DGS has to pass on in relation to its own customers and only if they are also bound to confidentiality.

**10.2.** All drawings, models, prototypes, templates, samples, tools etc., which DGS hands over to the Supplier or which are produced on behalf of DGS by the Supplier or third parties, may neither be handed over nor otherwise made accessible to unauthorised third parties. They remain the property of DGS. The reproduction of such items is only permitted within the framework of operational requirements and copyright provisions.

**10.3.** If the Supplier provides contractual services on the basis of documents, such as drawings, models and the like, which are produced according to confidential information of DGS or with tools or copied tools of DGS, these may neither be used by the Supplier itself nor offered or made accessible to third parties.

**10.4.** At the request of DGS all information originating from DGS (including, if applicable, copies or records made) and items provided on loan must be returned to DGS immediately and in full. DGS reserves all rights in such information (including copyrights and industrial property rights such as patents, utility models, etc.).

**10.5.** Subcontractors shall be bound accordingly.

**10.6.** The Supplier may advertise or publicise the business relationship only with the prior written consent of DGS.

### § 11 Jurisdiction, applicable law, severability clause

**11.1.** The place of jurisdiction is CH-9001 St. Gallen. DGS is also entitled to take legal action against the supplier at his registered office, place of manufacture or place of delivery.

**11.2.** All legal relations between the supplier and DGS shall be governed exclusively by Swiss law to the exclusion of the Vienna Sales Convention (United Nations Convention on Contracts for the International Sale of Goods). INCOTERMS 2020 shall apply to the interpretation of delivery clauses.

**11.3.** In the event of any differences between the German and the Terms and Conditions of Purchase drawn up in other languages, the original German text shall be valid.

**11.4.** Should one or more of these provisions as well as the further agreements made be wholly or partly invalid or unenforceable or subsequently lose its legal validity or enforceability, the validity of the remaining provisions shall not be affected thereby. The ineffective provision shall then be filled in by the contracting parties in such a way that it comes as close as possible to the meaning of the ineffective provision. The same applies in the case of any loopholes in the contract.