

# General Purchasing Conditions

of Steeltac AG Valid as of:

August 2023

## I. Scope

The following conditions apply exclusively for all our orders and conclusions of contracts, including those occurring in the future. Any changes to these conditions require our express written confirmation in order to be effective. Terms and conditions that contradict these conditions are hereby expressly refuted. Such terms and conditions will not be recognized even if we do not expressly refute them again after we receive them. The supplier recognizes the sole validity of our purchasing conditions upon acceptance, and at the latest with fulfillment of the order, even if it makes reference to its own conditions. Acceptance of or payment for deliveries and services does not imply agreement to the supplier's terms and conditions.

## II. Ordering

The supplier's offers are binding and free of charge for us. Orders are only effective if they are placed in writing or confirmed by us in writing. Agreements made orally or by phone require our written confirmation in order to be valid. Each order must be confirmed immediately with an indication of a binding delivery time. "In writing" refers not only to paper forms but also to documents with an officially recognized electronic signature.

## III. Quality/Environment

The supplier must set up and maintain a quality assurance and environmental management system that is suitable in terms of type and scope, state-of-the-art and documented. It must keep records, in particular about its quality testing, and make those records available to us upon request. The supplier hereby consents to quality/environmental audits by us or our agents for the purpose of evaluating the efficacy of its quality assurance and environmental management system. Furthermore, we instruct the supplier not to use any conflict minerals that come from the Democratic Republic of Congo or from neighboring countries.

## IV. Energy Management

We have obligated ourselves to sustainability (Blue Competence) and engage in energy management in accordance with ISO 50001. The requirements set forth here refer to the products and services we obtain. The supplier therefore obligates itself and its subcontractors to responsible handling of energy and natural resources as well as social responsibility in the manufacture of its products and within the scope of its processes. This relates to the entire supply chain, from the selection of raw materials to energy-efficient and environmentally friendly manufacturing and handling to packaging and transport to use and disposal.

## V. Prices

The agreed-upon prices are fixed prices and include all auxiliary costs we indicate (such as fees, customs duties, freight and packaging costs). They apply at the place of delivery. No changes may be made due to subsequent increases in any costs, taxes, and so forth. In the case of advance payment we are entitled, even without a special agreement, to deduct 3% in the case of payment within 10 days after fulfillment of the contract.

## VI. Offset Clause

We are entitled, irrespective of legal basis, to offset supplier receivables within Swiss Steel Holding AG.

## VII. Delivery Dates/Delivery Deadlines

The agreed-upon delivery deadline must be met without fail; otherwise, late fees, some but not all of which are listed below, will apply. Delivery dates/delivery deadlines that are indicated refer to the time the delivered goods are received at the agreed-upon place. If the agreed-upon delivery date is not met as a result of a circumstance for which the supplier is responsible, we are entitled, without prejudice to any additional rights and without notice or provision of a grace period, to file a claim for damages to property occurring up through the deadline and, in addition, to either file a claim for compensation for damages due to non-fulfillment or to cancel the order. If the supplier fails to meet the agreed-upon delivery deadline as a result of a circumstance for which the supplier is not responsible, we are nevertheless entitled to cancel the order without notice or establishment of a deadline if we have no interest in fulfillment of the contract beyond the agreed-upon delivery date or after the agreed-upon deadline. The supplier must inform us of foreseeable delays in delivery immediately after becoming aware of such delays, and at the latest by the end of the delivery date. In the case of a delay in delivery, our other rights are not thereby affected. As an alternative to claiming damages due to a delay, we are entitled to claim flat-rate damages to property in the amount of 10% of the contract's value.

## VIII. Shipping

Delivery is generally made "Delivered at Place" (DAP INCOTERMS 2010). All transport costs, including packaging, insurance, etc., are at the supplier's expense. The risk does not pass to us until after the goods have arrived at the place of fulfillment and after proper transfer to the appropriate office. On the day of shipment, a dispatch note indicating our order number, the precise number of items, a description of the objects and the individual weight or dimensions must be presented to us. A delivery note must be enclosed with every shipment. A contract is considered to have been executed once we have all the agreed-upon documents (including certificates) available to us. All rail shipments shall be addressed to the destination. The supplier is liable for all damages, costs, delay charges, etc. that are incurred due to failure to comply with this provision. Partial deliveries are permissible only on the basis of a written agreement.

## IX. Transfer

The contractor is not entitled to transfer execution of the contract, or its claims as per the contract, entirely or partially to third parties without our prior written assent.

The names of any subcontractors of the supplier must be provided to us upon request.

## X. Termination

1. We are entitled to terminate the contract entirely or partially without providing any rationale. In such a case we undertake to pay for all deliveries and/or services that have been provided up to that time as well as to compensate appropriately for all

material that has been procured and all work that has been performed. Further claims by the supplier are excluded.

2. We are furthermore entitled to terminate if, for example, legal bankruptcy proceedings are filed with regard to the supplier's assets or the supplier ceases to make payments. We have the right to take over materials and or partially finished goods, including any special manufacturing resources, under appropriate conditions.

## XI. Supplier Liability/ Guarantee Against Defects

We are entitled to request our choice of correction of defects or delivery of a replacement. In this case, the supplier is obligated to bear all expenses necessary for the purpose of correcting defects or delivering replacements. If the supplier does not correct the defect within an appropriate period of time even after a written request, or if we are able by means of suitable measures to prevent additional damages, then we have the right to take all necessary measures to correct the defect. We may correct minor defects, or have them corrected, at the supplier's expense immediately. Rectification work may be performed or arranged at the supplier's expense without specification of a deadline if delivery occurs after a delay and we have an interest in immediate rectification in order to avoid a delay of our own. In the cases described above, the supplier shall be informed in writing immediately about the type, scope and work performed.

The supplier shall bear all costs of the rectification. Irrespective of the right to rectification, we remain entitled to statutory warranty and indemnification claims. The supplier is responsible for ensuring that no third-party rights are violated in connection with its delivery.

The supplier is also liable for subsequent damage due to defects. In the case of a guarantee of properties, the liability exists irrespective of fault.

We are entitled to request release by the supplier from all obligations to correct defects that our customers may place on us, if and to the extent that the supplier, through the delivery, created a cause of error that for which it can justifiably be held liable. The same applies for all indemnification obligations directed at us, if and to the extent that the supplier is responsible for the cause of the error.

Our warranty claims exist irrespective of whether the defect was present at the time of transfer of risk.

Notification of a defect is considered to have been made promptly if it is provided immediately after discovery of the defect, but no later than 24 months after delivery or acceptance. If the supplier provides a guarantee for its deliveries and services, our utilization of the guarantee services does not imply any waiver of warranty claims to which we are entitled.

## XII. General Liability Provision

The supplier indemnifies us from any indirect claims by third parties brought against us on the basis of malperformance by the supplier. The supplier further releases us from product liability claims. It also provides assurance that it has taken out a sufficient amount of liability insurance that includes product liability coverage. For all statutory and contractual liability circumstances (especially in the case of the violation of obligations with regard to action of contract, contract violation, delay, impossibility, inability or of non-permitted action), we are liable only in the case of intentionally or grossly negligent causation of the damage. In this case as well, liability is limited to damages foreseeable by us.

## XIII. Passing of Title

We agree with the supplier that ownership of the goods ordered passes to us at the time of notification of readiness for shipping. In lieu of a transfer, the supplier shall hold the goods in custody for us free of charge. They shall be separated out from other inventory. However, the supplier bears the risk of fire, theft or other destruction or deterioration of the goods and must insure these risks up until the agreed-upon time of the transfer of risk. The supplier provides assurance that no third parties have any rights to the delivered goods. We will not recognize any prolonged or extended ownership reservation on the part of the supplier. Assignment and pledging of receivables is permissible only if the recipient of the assignment or pledge releases us from any obligation arising from duplicate billing in the case of accidental payment to the previous creditor on the basis of an express written agreement.

## XIV. Third-Party Property Rights, Public-Law Standards

If a third party files a claim against us for this reason, the supplier is obligated to release us from these claims upon first written request and to ensure that the delivered object is available for use without disruption or interruption.

The supplier shall be responsible for any licensing fees and all consequences of any full or partial third-party title claims. The supplier's indemnification obligation relates to all expenses that we necessarily incur from or in connection with the third-party claim.

The supplier provides assurance that no third party as any right to the goods, patterns, brands it delivers and that there is no violation of any third-party intellectual property rights. It further provides assurance that the delivered goods comply with all legal provisions and regulatory requirements. The supplier releases us from all indemnification claims in the case of violation of private rights or public-law provisions.

## XV. Supplier Code of Conduct

The Code of Conduct for Suppliers of the Swiss Steel Group, which can be viewed at [www.swissteeelgroup.com](http://www.swissteeelgroup.com), applies. Seller agrees to comply with these principles and to consider them also within its own supply chain and to require its own suppliers, subcontractors, recruiters and labor brokers to comply with applicable laws and these principles. Seller agrees to provide Buyer, upon request, with evidence and reports of its efforts to comply with the clauses referred to above. In addition, Seller agrees to have audits conducted by Buyer or Buyer's designee to assess the effectiveness of its efforts. In the event that any obligation under the Supplier Code of Conduct has been violated by Seller or within its supply chain, immediate notification must be made to Buyer. In addition, the Seller must initiate the appropriate measures to stop the violation. The Buyer shall be entitled to terminate all contracts extraordinarily upon discovery of a violation by the Seller or within the supply chain accountable to the Seller. In addition, the Seller shall be obliged to compensate the Buyer for any damage caused by this. The respective safety conditions must be followed on the plant premises

## XVI. Invoicing

The invoice shall be submitted separately and in duplicate immediately after the contract has been executed. Monthly invoices shall likewise be sent in duplicate by the third business day of the month following the month the contract is executed.

**XVII. Documents/ Business Secrets**

If we make available documents, patterns, models or drawings in connection with our order or inquiry, they remain our property. They shall be safeguarded and may not be made accessible to third parties. They must be sent back to us free of charge following completion of the order. If the supplier, after assent by us, utilizes third parties to fulfill the order, it must pass on the obligation described above without limitations; the supplier is responsible for ensuring that those third parties comply with that obligation. The statute of limitations for violations of number **XVII.** is ten years counting from conclusion of the contract.

**XVIII. Prohibition of Advertising/Confidentiality**

Our prior express and written assent is required for use of our inquiries, orders and associated correspondence for advertising purposes. The supplier shall not disclose to third parties any information about business activities, equipment, facilities, documents, etc. that relate to us and our customers, and about which it gains knowledge in connection with its work for us, even after delivery of the relevant offerings or execution of the contract. It shall obligate its assistants and agents accordingly.

**XIX. Data Protection**

Within the scope of our business relationships, we store data in accordance with the data protection act. The supplier states that it consents to this.

**XX. Place of Execution**

Unless otherwise agreed, the place of our respective registered offices is the place of execution.

**XXI. Applicable Law/  
Place of Jurisdiction**

**Swiss right applies exclusively, with exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG) of 11 April 1980 and the contract law issued on this matter (CMR).**

**The parties to the contract agree upon the place of our respective registered offices as the place of jurisdiction for all disputes arising from the contractual relationship. However, we also retain the right to file claims at the supplier's location.**

**XXII. Final Provisions**

Should individual parts of these purchasing conditions be invalid, these purchasing conditions and the contract remain in full effect. The provision with the economic intent that most closely approximates that of the invalid provision shall replace the invalid provision. If a provision of these purchasing conditions or of the contract is invalid due to compulsorily applicable foreign laws, the supplier shall, upon request, come to an agreement with us regarding supplementation of the contract and provide explanations to third parties or authorities that ensure the continued validity of the provision in question or, if this is not possible, the provision's economic intent pursuant to the foreign laws as well.

