

General Terms and Conditions of Purchase (GTCP)

Version February 2020

Please note: Only the original in German of these General Terms and Conditions of Purchase of Digitec Galaxus AG are legally binding. The English translation is provided for information purposes only and has no legal force. By accepting these General Terms and Conditions of Purchase, you automatically accept the German original.

1. Validity of the general conditions of purchase

1.1. Acceptance: By signing the present General Terms and Conditions of Purchase (GTCP), by concluding or signing the individual agreement (Configuration Agreement (CFA), Condition Agreement (CDA), Initial Exchange Settings (IES)) and/or by accepting or executing an order of Digitec Galaxus AG, the supplier expressly declares his agreement with these GTCP.

1.2. Future agreements: The supplier's obligation to GTCP shall also apply to all future agreements and deliveries. The supplier shall be notified of changes to the GTCP and shall be deemed to have accepted them after seven calendar days from delivery, unless a written objection is made within this period.

1.3. Deviating individual agreements: Any terms in individual agreements that deviate from these GTCP apply only if and to the extent such terms have been agreed in writing.

1.4. Written form/written: In these GTCP «written form» or «written» means a document which is signed by handwritten signature or electronic signature. The same applies to correspondence that allows proof by text (e.g. e-mail)

1.5. Interface: In this GTCP «interface» means the interface provided by Digitec Galaxus AG and used by the supplier (Customer Management Interface (CMI), Electronic Data Interchange (EDI), etc.).

1.6. Deviating provisions: General terms and conditions or similar documents of the supplier as well as industry standards which replace, amend or supplement these GTCP shall have no legal effect, even if reference is made to them in any confirmation or in business correspondence.

1.7. Validity of the GTCP: These GTCP apply to the entire contractual relationship between the supplier and Digitec Galaxus AG.

2. Communication and access to the interface

2.1. Principle: Orders are transmitted to the suppliers via an interface. In addition, requests for delivery dates and cancellations as well as information on short deliveries and excess deliveries are also processed via this interface.

2.2. Access and security: The supplier is obliged to take appropriate measures to protect the access data and devices against unauthorised access to the interface.

2.3. Data processing: Digitec Galaxus AG is entitled to store and process all data in connection with the use of the interface by the supplier or the user.

2.4. Commitment: The supplier acknowledges that all declarations of his users that are transmitted to Digitec Galaxus AG via the interface (signatures, approvals, rejections, contradictions, comments, etc.) are attributed to him and expressly declares them to be binding for him.

2.5. Confidentiality: The supplier is obliged to treat all contents of the interface as strictly confidential and to use them exclusively within the scope of his business relationship with Digitec Galaxus AG. The Supplier is responsible for ensuring that its users are aware of and comply with the usage restrictions and confidentiality obligations.

3. Quality of the goods

3.1. Agreed quality/product data: The supplier is obliged to manufacture, pack and/or deliver the products in accordance with the agreed specifications, quality standards, sustainability requirements and certifications. The supplier is obliged to provide pictures, videos, accessory links etc. in best quality, entirely and according to the current product data documentation of Digitec Galaxus AG. All information in the online shop must correspond to the facts and must not be illegal. The supplier is obliged to keep product data for products with legal and/or legal requirements always up-to-date and compliant.

3.2. Changes to the product / packaging: Any changes to agreed and/or communicated product / packaging properties must be communicated to Digitec Galaxus AG in advance.

3.3. Legal conformity / state of knowledge and technology: The supplier represents and warrants that the goods and their packaging (including product information) comply with laws and regulations, including, but not limited to, safety regulations, and that no legal standards are breached. In addition, all products and packaging (including product information) must represent state-of-the-art knowledge and state-of-the-art technology.

3.4. Documentation: The supplier is obliged to deliver all necessary and/or agreed documents such as customs documents, delivery notes, declarations of conformity, certificates, safety data sheets, guarantees as well as any necessary and/or agreed approvals or permits for marketability with the goods. The Supplier warrants that it has retained and properly stored all product-specific documents, such as product information files, information sheets, technical documents, etc. and that it will immediately provide such documents on first demand and within 5 days of notification at the latest. The supplier undertakes to enter these documents into the interface if this is necessary due to Digitec Galaxus AG requirements for the declaration of the products, legal requirements and/or official orders.

3.5. Customs clearance: The supplier represents and warrants to duly import, declare and tax – in accordance with applicable laws – any goods supplied to Digitec Galaxus AG across borders and all fees, e.g. recycling, copyrights, etc. have been paid.

3.6. Social Standard: The Supplier shall ensure that its articles have been manufactured in accordance with local legislation and ILO labour standards. Upon request by Digitec Galaxus AG, the supplier shall disclose the supply chain and social audits can be carried out according to the amfori-BSCI standard (or equivalent).

3.7. Environmental standard: The supplier shall ensure that its articles have been manufactured in accordance with local legislation. Upon request by Digitec Galaxus AG, the supplier shall disclose the supply chain and environmental audits can be carried out according to the amfori-BEPI standard (or equivalent).

4. Warranty of quality

4.1. Liability for defects: The supplier is liable for all defects in the goods. Any deviation from the requirements set out in Clauses 3 and 7.2 as well as from the quality customarily assumed shall be regarded as a defect. The supplier undertakes to inform Digitec Galaxus AG proactively and at an early stage of any production errors or other defects.

4.2. Notification period for defects / Limitation of legal claims: Digitec Galaxus AG may provide notice of defects for up to six months after the end of the warranty period granted to the end customer (minimum of two years) or the expiry date, whichever is later. The same period applies in respect of the limitation of legal claims. Claims for defects related to documentation expire by limitation no earlier than ten years after delivery. Claims for defects related to customs clearance expire by limitation no earlier than six months after the end of the limitation periods applying to customs debt under administrative and criminal law. Digitec Galaxus AG shall not be bound

by any periods for inspection and/or notification of defects or any limitation periods, whether prescribed by law or set by the supplier. The supplier waives the right to any defense whereby the goods are deemed to have been accepted if notice is not given immediately after discovery of the defect. In the case of direct delivery to the customer by the supplier, all periods in accordance with this paragraph shall not commence until the goods have been received by the customer.

4.3. Right of option: In the event of any defect, Digitec Galaxus AG shall be entitled to demand rescission, a reduction of the price, rectification of the defect or replacement of the defective goods. Even if only individual parts of a delivery are defective, Digitec Galaxus AG may also demand rescission or replacement of all the goods supplied.

4.4. Return of defective goods at the supplier's expense: If Digitec Galaxus AG opts for rescission or replacement of the goods, the goods will be returned or made available for pick-up, with the date and time of the pick-up set unilaterally by Digitec Galaxus AG, at the expense and risk of the supplier. Perishable goods may be destroyed at the supplier's expense.

4.5. Replacement purchase from third parties: If the goods are not replaced by the supplier immediately or by the deadline set by Digitec Galaxus, Digitec Galaxus shall be entitled to purchase the relevant goods from third parties at the supplier's expense without further notice.

4.6. Rejection of future deliveries: If defects are identified in respect of an individual delivery and/or an individual call for goods, Digitec Galaxus shall be entitled, in addition to its right of rescission, right to a reduction in price, right to rectification or replacement of the defective goods, to reject deliveries of the same goods that are still outstanding and/or to terminate the contract with immediate effect and with no obligation to pay compensation.

4.7. Liability: The supplier shall be liable to Digitec Galaxus for all damage (direct and indirect) and all costs (e.g. court costs, attorney fees, handling costs, compensations and indemnities in connection with litigation, transport and return processing costs) incurred by Digitec Galaxus or its contractual partners as a result of any breaches of contract, irrespective of fault (with the exception of events of force majeure, e.g. in the event of natural disasters, epidemics and other disruptions beyond the supplier's control, but not including strikes at the supplier's facilities). If claims are asserted against Digitec Galaxus by authorities and/or third parties as a result of breaches of contract by the supplier, the provisions particularly of clause 5.2 et seq. shall also apply.

4.8. Invoicing: If Digitec Galaxus incurs a damage as a result of a defect, a debit advice will be prepared and forwarded to the supplier. The advice shall be deemed to have been

acknowledged and accepted unless an objection is raised in writing, stating the reasons for the objection, within two weeks.

5. Warranty of title

5.1. General: The supplier warrants that the goods and their packaging do not infringe any third-party rights, both in Switzerland and in other EU countries, including, but not limited to, contractual rights, proprietary rights and intellectual property rights (in particular, trademarks, design rights, copyright, patents or rights under the unfair competition law). The warranty obligations pursuant to section 5 shall apply irrespective of whether the supplier is at fault.

5.2. Consequences of a legal dispute: If Digitec Galaxus determines that the goods and their packaging or any part thereof infringe third-party rights, or if Digitec Galaxus and/or any of its contract partner become involved in a legal dispute with third parties, it may rescind the entire contract and/or return the goods it has already purchased against full reimbursement. The supplier shall bear all costs (e.g. court costs, attorney fees, handling and transport costs, return processing costs, and compensations and indemnities in connection with litigation) as well as all direct and indirect claims (e.g. claims for damages) incurred by Digitec Galaxus and/or its contractual partners in this connection.

5.3. Assistance/assumption of responsibility for a legal dispute: If Digitec Galaxus and/or a contractual partner becomes involved in a legal dispute with third parties, the supplier shall be informed and shall, from that point on, provide unconditional assistance to Digitec Galaxus and/or its contractual partners in conducting the litigation (e.g. by providing information, statements, samples) and to take the necessary defensive measures as quickly as possible at its own expense. Likewise, at Digitec Galaxus request it shall assume responsibility for conducting any litigation as well as for all negotiations for an in-court or out-of-court settlement of the legal dispute. If the supplier fails to meet its obligations, Digitec Galaxus shall be entitled to acknowledge the right of the third party in good faith, to agree a settlement or to submit to arbitration and to demand full reimbursement from the supplier for the costs incurred as well as for any direct or indirect damage suffered (including, in particular, litigation costs and any indemnification or damages paid to third parties).

6. Delivery date/delay

6.1. Availability of goods: The supplier is obliged to update his goods and warehouse stocks via an interface at least once a day. The supplier must adhere to the current product data documentation of Digitec Galaxus AG.

6.2. Delivery date: The delivery date shall be the agreed date on which the goods are to arrive at the agreed place. In the case of direct delivery to the customer, the delivery date shall be the date on which the goods must reach the end customer at the latest. A delivery date shall be deemed to have been agreed if a date or date specified by Digitec Galaxus AG via the interface is not contradicted by the supplier within one working day. If the supplier objects to the delivery date, he shall be obliged to enter a new delivery date into the interface no later than two weeks after the original delivery date. This shall be regarded as the agreed delivery date.

6.3. Principle: If the delivery does not take place on the agreed delivery date, the supplier shall be in delay upon expiry of this date. The supplier is obliged to inform the customer immediately via interface of any non-compliance with the delivery date. If the agreed delivery date cannot be met, Digitec Galaxus AG has the right to withdraw from the contract.

6.4. Consequences of the delay: If the supplier is in delay, Digitec Galaxus AG may - except in the case of force majeure (e.g. in the event of natural disasters, epidemics and other disruptions beyond the supplier's control, but not including strikes at the supplier's facilities) - insist on subsequent performance and, without the need for it to set any additional deadline, demand compensation for any loss or damage incurred. Alternatively, Digitec Galaxus may waive its right to subsequent performance and demand compensation for non-performance, procure the goods concerned from a third party at the supplier's expense, or rescind the contract. In the absence of express notification, the right to demand performance is not waived despite the supplier's delay. Goods that arrive late may, if they cannot be sold, be returned to the supplier, which shall be charged the agreed purchase price as well as any damage incurred

7. Transport and transfer of ownership

7.1. Dispatch and transport: The supplier shall ensure that the goods are loaded and transported safely and properly to the place of fulfilment.

7.2. Transport packaging: The supplier must ensure that the transport packaging is adequate for the goods and the mode of dispatch and safe for transport.

7.3. Direct deliveries: All direct delivery requirements are contained in the separate Direct Delivery Guidelines FAQ (Frequently Asked Questions for Suppliers) and must be followed by direct delivery suppliers. Digitec Galaxus AG can check compliance with the requirements at any time. Digitec Galaxus AG reserves the right to exclude the supplier from direct delivery in case of non-compliance with the requirements.

7.4. Transport insurance: The supplier undertakes to take out adequate transport insurance. In the event of damage and/or loss, the supplier will, at the request of Digitec Galaxus AG, immediately upon receipt of the relevant notification, trigger a replacement delivery, or Digitec Galaxus AG has the option to withdraw from the purchase contract.

7.5. Returns: If the good is returned directly to the supplier by the customer, the supplier is obliged to immediately report the return to Digitec Galaxus AG at post@digitecgalaxus.ch.

7.6. Transfer of ownership: The ownership of the delivered goods is transferred to Digitec Galaxus AG upon delivery at the place of fulfilment. In the case of direct delivery, ownership of the delivered goods shall pass to Digitec Galaxus AG upon delivery to the customer. If the customer pays in advance, ownership of the delivered goods shall pass to the customer upon delivery to the customer.

8. Place of fulfilment, place of payment, due date of purchase price claim & offsetting

8.1. Place of performance: For deliveries, the place of performance is the place of acceptance specified in the agreement or order.

8.2. Place of payment: The place of payment for both parties shall in all cases be Zurich, Switzerland or the city where the head office of the relevant MC is located.

8.3. Due date: The purchase price claim becomes due - subject to any revocation, material or legal warranty claims asserted - after proper delivery to the place of fulfilment and after receipt of the invoice (the date of the later arrival is relevant) after a separately agreed payment period. The supplier is obliged to transmit the invoice in electronic form. Paper invoices will not be accepted and processed. Payment of the invoice does not constitute recognition of the absence of defects or completeness of the delivery. In the event of defective delivery, Digitec Galaxus AG is entitled to withhold payment until proper fulfilment.

8.4. Right of set-off: The supplier may only offset counter-claims that have been acknowledged in writing or that have been established as final and non-appealable by a court of law. The supplier has no right of retention or any other such rights whatsoever.

9. Passing of risk

The risk shall pass to Digitec Galaxus once the goods specified in the contract have been duly delivered at the place of performance.

10. Product liability

10.1. Duty to indemnify: The supplier undertakes to indemnify Digitec Galaxus or any of its contractual partners in full from and against any product liability claims.

10.2. Product liability insurance: The supplier shall maintain product liability insurance for a sum of not less than CHF 3 million per incident combined for bodily injury and property damage; the insured sum shall not limit the supplier's liability. Proof of insurance must be submitted to Digitec Galaxus upon request.

11. Liability for auxiliary staff

Liability for loss/damage: The supplier shall be liable for any damage caused by its contractual partners and auxiliary staff (Hilfspersonen), irrespective of any fault on its part.

12. No exclusivity

Digitec Galaxus AG does not ask its suppliers to supply goods on an exclusive basis. The supplier is free to supply goods to other domestic and foreign retailers.

13. Sales channels

Digitec Galaxus AG shall be entitled to distribute the purchased goods via the MC or via any other channels.

14. Resale prices

Digitec Galaxus AG has full discretion with respect to the structure of resale prices (incl. sale prices)

15. Confidentiality / Reference data

15.1. Confidentiality: The supplier shall treat all legal relationships between Digitec Galaxus AG and the supplier and all related commercial and technical details as business secrets and thus as strictly confidential.

15.2. References: No information regarding the contractual relationships and/or other references may be provided without the prior written consent of Digitec Galaxus.

15.3. Obligation to secure equivalent undertakings: The supplier shall agree terms equivalent to the terms set out in this section with its own employees and agents (e.g. sub-suppliers, subcontractors, etc.) and to impose related obligations on them. The supplier shall be liable for non-compliance by employees or agents with the obligations arising from this paragraph.

16. Data protection: Sharing data, information and documents

16.1. Principle: Digitec Galaxus is authorized to share and use all data, information and documents within the entire Digitec Galaxus Group. The Digitec Galaxus Group includes: the FMC, the Digitec Galaxus cooperatives, the Digitec Galaxus stores and specialty markets, retail companies belonging to the Digitec Galaxus group and the Digitec Galaxus service operations and production facilities.

16.2. Sharing data: Data, information and documents are only shared with service providers outside of the Digitec Galaxus Group in Switzerland or abroad in accordance with strict, contractual data protection requirements, on the basis of legal requirements or if sharing the data is necessary to safeguard and enforce the legitimate interests of Digitec Galaxus.

16.3. Obligations of the supplier: The supplier is obliged to comply with the data protection regulations of Switzerland and the EU at all times. The supplier shall be obliged to ensure adequate protection of the data made available to him at all times. The supplier is obliged to use the data of the customers of Digitec Galaxus AG exclusively for the fulfilment of the contractual obligations of the supplier. In particular, the Supplier is prohibited from using the Customer's data for purposes other than those for which they were collected (e.g. for its own advertising purposes, for sale to third parties). The supplier is obliged to irrevocably delete all customer data after contract execution and at the latest after expiry of any guarantee. The Supplier shall ensure that all employees, auxiliary persons, order data processors and other third parties involved in the processing of the data comply with the obligations set out in this Clause and shall be liable for their conduct as for his own.

17. Compliance clause

17.1. Principle: The supplier agrees to act in accordance with all legal and supervisory regulations applicable in connection with the conclusion and performance of the contract and not to commit any act or omission that could damage the reputation of Digitec Galaxus or that of any company affiliated with it.

17.2. Prohibition against corruption: In particular, the supplier confirms that neither it nor its employees, corporate bodies, or representatives offer, promise or provide others, neither directly nor indirectly, with undue financial or other benefits in connection with the contractual obligations in order to induce them to inappropriate or incorrect performance of their duties or position. Likewise, supplier confirms that neither it nor its employees, corporate bodies, or representatives accept, receive promises of, or demand, neither directly nor indirectly, such undue financial or other benefits in connection with the contractual obligations as consideration for inappropriate or incorrect performance of their duties or position.

18. Assignment of rights and duties Prohibition of assignment

No assignment: The assignment of the supplier's rights and/or obligations requires the prior written consent of Digitec Galaxus.

19. Severability clause

19.1. Severability: If individual provisions of these GTCP or the individual agreements are invalid, the other provisions shall remain in full force and effect. Invalid provisions are to be replaced with valid provisions that come closest to the economic meaning and the intended economic purpose of the ineffective or invalid provision.

19.2. Omissions: The provisions as to severability also apply in respect of any omissions.

20. Applicable Law and Place of Jurisdiction

20.1. Applicable law: All legal relationships between the parties are governed by the substantive laws of Switzerland, to the complete exclusion of the conflict of laws provisions of international private law and to the complete exclusion of the United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980.

20.2. Place of jurisdiction: The exclusive place of jurisdiction for all disputes shall be the registered office of Digitec Galaxus.