

General Terms and Conditions of Purchase of the Emmi Group

(Version von 26.02.2019)

1. General information

These Terms and Conditions of Purchase for Suppliers lay down the basic arrangements governing business between Emmi and its Suppliers. They cover all products supplied by a Supplier and all services provided by a Supplier. They shall apply to any business transacted with any current or future entity forming part of the Emmi Group, subject to any written agreements between the parties that deviate from these Terms and Conditions of Purchase. The Supplier's general terms and conditions are expressly excluded and shall not apply even if they are enclosed with an order confirmation or delivery note or otherwise transmitted and are not contradicted in individual cases.

2. Product/service specifications and applicable legislation

Product/service specifications and applicable legislation Any products supplied or services provided by the Supplier must comply with the technical, physical, microbiological and chemical parameters set out in the specifications for the products concerned. In the case of services, this shall apply by analogy to the service agreement between the service provider and the service recipient. If no specific or more stringent specifications are agreed with Emmi, the Supplier shall comply with the applicable legal provisions during production or provision of the service (and confirm its compliance with the specification). The duly signed product/service specification must be made available to Emmi before delivery of the goods.

3. Quality checks

The Supplier shall carry out checks on the products supplied or services provided to verify their contractual compliance and freedom from defects and shall provide evidence of these checks on request. Emmi shall not carry out any quality checks on the products supplied or services provided and shall only carry out an

administrative check on the incoming goods or delivery notes (identity, quantity, deadline, performance check). Emmi shall report any identified deviations within two weeks at the latest.

The Supplier or Service Provider shall grant Emmi the right to carry out operational, product or system audits, or combinations thereof, on their premises at any time, or to have such audits carried out by third parties. This shall include inspection of quality management documents and access to retained samples. Emmi shall ensure that the Supplier's/Service Provider's legitimate production secrets and intellectual property remain confidential during such audits or inspections.

If the Agreement or the requirement for products to be free from defects has been breached or is likely be breached imminently, the Supplier shall inform Emmi immediately in writing, stating all relevant details. The Supplier shall bear any costs for additional quality checks by Emmi if the deviation is confirmed and can be attributed to the Supplier. In the event of significant quality deviations, Emmi may demand the withdrawal or recall of the affected finished product at the Supplier's expense or arrange for the withdrawal or recall of affected finished products that have already been delivered. This shall not apply to any services provided that have no direct impact on the quality of Emmi products.

4. Orders and conditions

The Supplier shall confirm the order to Emmi within three working days (arrival of confirmation at Emmi) at the latest. Deviations from the order (with regard to delivery date, quantity, etc.) must be explicitly mentioned in the order confirmation and shall only be valid after confirmation by Emmi. No alteration or variation to product/service specifications, general requirements for raw materials or packaging or these Terms and Conditions of Purchase may be stipulated in order confirmations.

The Supplier shall guarantee that all Emmi Group companies receive the same best (basic) conditions for all products and services (prices, discounts, services, quality, availability, etc.). Emmi shall not accept any variations in the prices or conditions agreed for pending orders, unless otherwise agreed. The terms and conditions set out in the order (based on incoterms 2020) shall apply for transport.

5. Information obligation

If the Supplier intends to move the current production location of the articles purchased by us, they are obliged to inform Emmi of this at an early stage so that the necessary approval steps (process audit, samples, etc.) can be planned. The obligation to provide information also applies in the event of a change of production plant. This information must be communicated to the respective purchaser in writing at an early stage.

6. Defects and liability

The Supplier shall be fully liable for the contractual compliance and freedom from defects of the products, even if it was not aware of the defects or the defects are attributable to improper packaging and/or transport and/or storage by the Supplier or a third party commissioned by the Supplier.

Emmi shall be entitled to lodge a complaint regarding any obvious or hidden defect at any time up to one month after expiry of the products' shelf life. If hidden defects are not discovered until after this period has expired, Emmi's complaint must be lodged within one month of their discovery. Unconditional payment by Emmi shall not constitute recognition of the Supplier's proper performance of the contract. In addition to the statutory warranty claims (cancellation or reduction), Emmi shall be entitled to demand that the Supplier remedy the defect free of charge or provide immediate compensation at its own expense.

If defects occur in an individual delivery, Emmi shall be entitled to either withdraw from the entire contract or reject the outstanding delivery.

The Supplier shall be liable for all direct and indirect losses incurred by Emmi or other contractual partners of Emmi as a result of defective goods.

The Supplier shall indemnify Emmi against claims for damages from third parties attributable to defects in the Supplier's goods.

7. Insurance cover

The supplier undertakes to maintain industry standard liability insurance with an appropriate level of cover. Evidence of the insurance cover must be shown to Emmi upon request. If Emmi is entitled to further claims for damages, these shall remain unaffected.

8. Intellectual property rights

Insofar as the Supplier performs design, development or similar work for Emmi, all resulting intellectual property rights shall be due automatically, fully and exclusively to Emmi. The Supplier shall provide Emmi on request with all documents and records required to obtain the relevant intellectual property rights. Recipes, samples, sketches, drafts, models, tools, brands, processes, print data, etc. supplied by Emmi shall remain the exclusive property of Emmi and may not be passed on to third parties, communicated to third parties or used for services to third parties.

9. Confidentiality

All information exchanged between the parties pertaining to the business relationship shall be treated as confidential and may not be passed on to third parties or used for other purposes. This shall also apply to the existence of a business relationship between Emmi and the Supplier. If there is already a signed non-disclosure agreement between the parties, this shall be valid for the entire duration of the supply relationship and for two years after it ends, even if a shorter period of validity was stipulated in the nondisclosure agreement. Notwithstanding the provisions of this section or any non-disclosure

agreement, Emmi shall be entitled to disclose to its customers the Supplier's company name, the products it supplies and its certification status.

10. Social and environmental responsibility

The Supplier undertakes to comply with applicable ethical, social and environmental provisions in the broadest sense and also require its own suppliers and/or sub-suppliers to comply with said provisions. Emmi reserves the right to make the continuation of the business relationship contingent on the adoption and implementation of recognised codes of conduct for social and environmental matters (e.g. the UN Convention on the Rights of the Child and the conventions of the International Labour Organization (ILO)).

11. Severability clause

Should any individual provisions of these Terms and Conditions of Purchase become invalid or their performance become impossible, this shall not affect the validity of the remaining parts of the Terms and Conditions. In such cases, the parties undertake to immediately replace the invalid provision with a permissible valid provision whose

content comes as close as possible to the parties' original intention. This shall also apply in the event of a contractual gap.

12. Delay in delivery

Any delay in delivery shall be reported to Emmi immediately. Irrespective of this, in the event of late delivery, non-delivery, non-timely service provision or incorrect delivery, the Supplier shall automatically be deemed in default from the agreed delivery date. This shall entitle Emmi to claim damages and withdraw from the contract. Overshipments or short shipments shall only be accepted if agreed in advance. Any defective/surplus products, etc. may not be reused without permission and must be properly disposed of.

13. Applicable law and place of jurisdiction

Swiss law shall apply exclusively, to the exclusion of provisions regarding conflicts of law and the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (Vienna Sales Convention). **Lucerne shall be the exclusive place of jurisdiction.**