

# Terms of Purchase of Carrier Innovation Technologies

## I. General Provisions

1. These terms apply to Carrier Innovation Technologies GmbH and its subsidiaries in Switzerland and Liechtenstein (hereinafter "Carrier"). The contract is concluded between the respective ordering Carrier company and the supplier. Should any provision of these terms be or become wholly or partly invalid, the validity of the remaining provisions shall not be affected thereby.
2. These terms apply without special notice or reference, even in the case of an ongoing business relationship, unless expressly agreed otherwise in writing. These terms supersede the previously valid terms of purchase.
3. The application of other general terms and conditions is excluded. The validity of such other terms is expressly objected to; a repetition of the objection is not required. Our silence and our acceptance of the delivery or performance without objection, or its payment or other implied conduct, do not constitute acceptance of the supplier's terms.

## II. Order and Order Confirmation

1. All inquiries and offers, including sample shipments, are non-binding and free of charge for Carrier. The supplier must strictly adhere to the inquiry in terms of quantity and quality and expressly point out any deviations.
2. The supplier must confirm the order in writing upon request. The order confirmation must reflect all details of the order. Deviations from Carrier's orders are only considered approved if they are again confirmed by us in writing. If the supplier's order confirmation is not returned promptly, Carrier is no longer bound by the order.

## III. Prices

1. The agreed prices are fixed prices. They apply to deliveries DAP (Incoterms 2020) to the delivery address specified by Carrier and include packaging and transport insurance.
2. If it is necessary to place orders without prior price agreement, the prices of the previous order shall be deemed agreed in the case of an ongoing business relationship. Otherwise, the supplier's list price valid at the time of the order shall apply, unless the list price at the time of fulfillment by the supplier is more favorable to us.
3. If a price "ex works" or "ex warehouse" of the supplier is exceptionally agreed, Carrier shall only bear the lowest freight costs in each case. All costs incurred up to the handover to the carrier shall be borne by the supplier. If purchases are exceptionally concluded "ex supplier's station," all costs up to the dispatch station shall be borne by the supplier.
4. Travel related to the provision of services must be agreed in writing with Carrier in advance. Travel, accommodation costs, and expenses may be invoiced against proof if agreed in writing, or flat-rate agreements may be made. The settlement takes place within a reasonable framework based on the following:
  1. Flight: Economy
  2. Train: 2nd class
  3. Rental car: Compact / Mid-size class

## IV. Delivery Times, Subcontractors

1. The agreed delivery times are binding for the supplier. The supplier is obliged to notify Carrier immediately in writing of any foreseeable delay.
2. Events of force majeure, operational disruptions of any kind and for whatever cause, as well as other unforeseen events that make acceptance unreasonably difficult for Carrier, entitle Carrier to extend the acceptance periods without the supplier being entitled to claim damages and without postponed quantities being invoiced before acceptance.
3. If the agreed delivery times are exceeded, the supplier shall be in default without a reminder. In the event of a delay in delivery, Carrier may claim a lump-sum delay damage of one percent of the order value for each completed week, but not more than 5% of the order value. Further statutory claims remain reserved.
4. Notwithstanding Carrier's statutory or aforementioned contractual rights, the supplier is obliged to inform Carrier immediately if it becomes apparent that delivery times cannot be met.
5. The use of subcontractors requires Carrier's prior written consent.

## V. Delivery, Delivery Note and Invoice

1. Deliveries shall be made DAP (Incoterms 2020) to the delivery address specified by Carrier, unless otherwise agreed.
2. The delivery note and the invoice shall be identical in form and content. They must contain the following information: ordering company, complete order number and item number in the case of multiple order items. Each order must be treated separately in all correspondence, using the above information.
3. If Carrier does not receive the delivery note together with the goods or if the delivery note or the labeling of the goods does not comply with the above regulations, Carrier shall be entitled to reject the goods or to store the goods at the supplier's expense and risk until proper documents are received. This also applies in the case of incorrect deliveries and quantity errors.
4. Invoices must be sent separately from the goods shipment and must not be dispatched before the goods are shipped. The invoices must indicate the mode of shipment. Invoices do not serve as shipping notifications.
5. For deliveries and services extending over a period of more than one month, invoices must be issued monthly. In such cases, the invoice must be issued no later than the third working day of the month following the month being invoiced.

## VI. Transfer of Risk

The risk passes to Carrier when the goods are made available to Carrier, ready for unloading, on the arriving means of transport at the designated place of destination.

## VII. Production Inspections/Technical Acceptance, Complaints

1. Carrier has the right, but not the obligation, to inspect the quality of the materials used and the manufactured parts, as well as compliance with other order specifications, at the supplier's plant during production and before delivery. If technical acceptance of the completed delivery item at the supplier's plant or its sub-suppliers by Carrier is agreed, the supplier must notify Carrier in writing of the readiness for acceptance 14 days before the goods are ready for shipment. If technical acceptance by a designated

third party is agreed, the supplier must arrange for the acceptance on its own and promptly send the acceptance certificate to Carrier, at the latest with the shipping documents. In any case, the costs of acceptance by third parties shall be borne by the supplier.

2. Production inspections and technical acceptance do not release the supplier from its fulfillment and warranty obligations.

3. For larger quantities, Carrier's inspection of the goods is limited to random samples; defects not discovered in this process are considered hidden.

4. Complaints must be made by Carrier within 5 working days of receipt of the goods, and in the case of hidden defects, within 5 working days of their discovery, to the supplier.

5. The current version of the Supplier Quality Manual, available at the following website, applies:

[QLY-02 Supplier Quality Manual - English\\_tcm558-77525.pdf](#)

#### **VIII. Warranty for Defects**

1. The supplier warrants that its deliveries and services are free from any defects at the time of the transfer of risk, particularly that they possess the contractually agreed properties and are fully suitable for the agreed or intended purpose, including as a functional component of a device or system, and do not impair the functionality of a device or system. Unless further requirements are specified in the order, the deliveries and services, including those of the supplier's sub-suppliers, must be delivered and performed in accordance with the recognized, current state of the art and any applicable standards, in compliance with these. The delivery items and services must be manufactured and equipped in such a way that they comply with all applicable legal and regulatory requirements in Switzerland on the day of delivery. The supplier must expressly point out any special handling or usage risks.

2. The limitation period for defect claims is 36 months from the transfer of risk, unless other mandatory legal provisions apply. For items that have been used in accordance with their usual purpose for a building and have caused its defectiveness, the limitation period for defect claims is 5 years from the transfer of risk. The statutory limitation in the case of fraudulent intent remains unaffected.

3. Carrier is entitled to the statutory defect claims without restriction. In any case, Carrier is entitled to demand, at its discretion, the rectification of defects or the delivery of a new item from the supplier. The right to claim damages is expressly reserved.

4. Carrier is entitled to rectify defects itself at the supplier's expense if the supplier is in default with the supplementary performance. The same applies in cases where, due to special urgency, it is no longer possible to inform the supplier of the defect and the impending damage and to set a deadline for remedy.

#### **IX. Product Liability**

1. If the supplier is responsible for a product defect, it is obliged to indemnify Carrier against third-party claims for damages upon first request, to the extent that the cause lies within its control and organizational area and it is liable itself in the external relationship.

2. As part of its own liability for damage cases within the meaning of paragraph 1, the supplier is also obliged to reimburse Carrier for any expenses arising from or in connection with a recall action lawfully carried out by Carrier. Carrier will inform the supplier in advance about the content and scope of such a recall measure, as far as possible and reasonable, and give it the opportunity to comment.

3. The supplier is obliged to take out and maintain sufficient product liability insurance. Upon request, it must prove to Carrier that any third-party claims arising from product liability due to defects in the delivery items are covered by this product liability insurance.

4. For the duration of the service provision, the supplier will also maintain business and product liability insurance with the following coverage amounts: €10,000,000 (twice maximized per year) lump sum for personal and property damage and resulting financial losses per damage event.

#### **X. Intellectual Property Rights**

1. The supplier warrants that no third-party rights are infringed in connection with its delivery.

2. The limitation period is 66 months from the transfer of risk.

#### **XI. Work Results and Usage Rights**

1. Upon Carrier's request, the supplier shall transfer all rights to the work results to Carrier. Unless they are copyrightable works (see Clause XI.2), "work results" include all data, ideas, results, findings, inventions, discoveries, or know-how of the supplier, its employees, its subcontractors, or other third parties engaged by the supplier (hereinafter referred to as "auxiliary persons") that are created, made, or produced in connection with the contractually owed performance and are necessary for the purpose of delivery. The supplier shall promptly inform Carrier of all work results, provide Carrier with all work results, and, upon Carrier's request, provide additional information. In particular, upon Carrier's request, the supplier shall transfer all industrial property rights to the work results, make the necessary declarations, and support Carrier to the best of its ability in applying for, registering, maintaining, and defending the industrial property rights.

2. The supplier grants Carrier an exclusive, transferable, unlimited right in terms of time, place, and content to the comprehensive use and exploitation of all copyrights and all rights related to copyrightable works of the supplier and its auxiliary persons created in connection with the contractually owed performance and necessary for the purpose of delivery (hereinafter referred to as "works"), including the use of such types of use that are still unknown at the time of the conclusion of the contract. The supplier grants Carrier the right to freely edit the works to the extent that an adaptation is necessary to use them in Carrier's interest. Technical edits and/or format changes are permitted without restrictions. Furthermore, the supplier grants Carrier the right to digitize the work results at will, in particular to reproduce, distribute, and make them publicly accessible. In the case of works, the supplier waives the right to be named and ensures that its auxiliary persons also waive this right. The supplier shall ensure through appropriate agreements with its auxiliary persons that it can fulfill its obligations to transfer and/or grant rights.

3. The transfer and/or granting of rights in accordance with the above provisions is compensated by the contractually agreed remuneration for the respective order.

4. The supplier shall keep the work results and works and all details communicated to it in this regard confidential in accordance with Clause XIV.3.

5. This Clause XI applies accordingly to the part of the work results or works created by the supplier or its auxiliary persons jointly with Carrier and Carrier's employees; in particular, if the supplier or its auxiliary persons are co-inventors.

#### **XII. Supplier Code of Conduct, Sustainability, Compliance, and Legal Requirements**

1. The supplier undertakes to comply with all legal obligations towards its employees when executing orders and to employ only such subcontractors who also comply with their legal obligations. The supplier will employ foreign workers only with the legally required permits and authorizations. To avoid legal liability towards the supplier's employees and administrative offenses, the supplier shall provide Carrier with all documents necessary to verify compliance with the obligations under Clause XII.1 at regular intervals upon Carrier's first written request.

2. The supplier further undertakes to comply with the applicable regulations on environmental protection, energy management, and occupational safety and to work towards reducing the sustainable impact of its activities on people and the environment.

3. The supplier undertakes to indemnify Carrier upon Carrier's first written request against all claims and demands of third parties, in particular claims of the supplier's own employees and the employees of further subcontractors and commissioned leasing companies, insofar as the asserted claims and demands are based on an alleged violation of legal obligations towards employees by the supplier or a subcontractor engaged by the supplier.

4. The supplier undertakes to comply with all other applicable laws, regulations, and provisions when executing orders, including (but not limited to) all anti-corruption laws and regulations, packaging and recycling regulations, hazardous substance requirements (including but not limited to the requirements for suppliers regarding substance bans). Furthermore, the supplier contractually agrees to Carrier's Supplier Code of Conduct and promotes compliance with the Supplier Code of Conduct among its suppliers. This can be viewed at the following website:

[Carrier Supplier Code of Conduct - English FINAL 20241220](#)

Carrier is entitled to terminate the contract with immediate effect for good cause in writing if the supplier fails to fulfill the obligations of the Code of Conduct. The supplier shall promptly inform Carrier as soon as it becomes aware that it or its employees were or are government employees. In this case, Carrier may terminate the contract with immediate effect for good cause in writing.

5. Upon request, the supplier shall inform Carrier of the direct (emissions from the production of heat and cold consumed during production processes, regardless of the location of the production of heat or cold) and indirect (emissions from the production of electricity consumed during the production processes of goods, regardless of the location of the production of the consumed electricity, Scope 2, GHG Protocol) greenhouse gas (GHG) emissions generated in its manufacturing processes, which have been determined in accordance with the currently valid calculation regulations of the EU CBAM (EU Carbon Border Adjustment Mechanism, which came into force on 01.10.2023).

6. The environmental performance and, where applicable, the energy and resource efficiency of the products and services offered have a significant influence on Carrier's decision to award a contract. In this context, the supplier shall use resources and energy efficiently and in an environmentally conscious manner to improve energy-related performance and shall observe the media provided to it.

7. If Carrier delivers its products to export markets within and outside the EU, it is mandatory for the supplier to issue supplier declarations for deliveries to countries with which preferential agreements exist. Suppliers delivering commercial goods or production materials to Carrier undertake to issue supplier declarations upon request by the responsible purchasing department, which meet the legal requirements for preferential or, if necessary, non-preferential origin.

### **XIII. Payment Terms**

1. Payments are due only after receipt of the goods, the complete invoice, and the occurrence of the agreed delivery date.

2. Unless otherwise agreed, payments shall be made at Carrier's option either within 30 days of receipt of the invoice with a 3% discount or within 90 days net. For organizational reasons, payments due in each calendar week are made only once a week. All such payments for a week are considered timely for the consideration and calculation of the agreed discounts.

3. Each payment is made subject to Carrier's rights regarding any defects. Carrier is entitled to withhold payments in whole or in part until defects are remedied or other counterclaims from the entire business relationship, including with other Carrier companies, are fulfilled. A payment does not constitute recognition of performance or waiver of defect claims; this also applies to the receipt acknowledgment upon acceptance of the goods.

### **XIV. Drawings, Models, and Confidentiality**

1. Drawings, specifications, documents, models, molds, and special tools provided by Carrier for the execution of an order or specially made for Carrier remain or become the property of Carrier. Changes to them may only be made by Carrier.

2. By December 31 of each year, Carrier must be provided with an inventory confirmation of all drawings, models, documents, molds, and special tools belonging to Carrier upon written request. Upon termination of each order, these documents must be returned to Carrier.

3. The supplier shall keep confidential the information provided by Carrier, such as drawings, sketches, documents like construction and manufacturing documents, findings, samples, manufacturing aids, models, data carriers, etc., and shall not make them accessible to third parties (including subcontractors) without Carrier's written consent and shall not use them for purposes other than those specified by Carrier. This also applies to reproductions. This obligation does not apply to information that was already lawfully known to the supplier without an obligation of confidentiality at the time of receipt or subsequently becomes lawfully known without an obligation of confidentiality, which is generally known or becomes generally known without a breach of contract by either party, or for which written permission for other use has been granted. The supplier may not advertise its business relationship with Carrier without Carrier's prior written consent.

4. Carrier is entitled to use the image and text material related to the goods to be delivered by the supplier (e.g., also from its website) worldwide free of charge in connection with the distribution of these goods (if applicable, after their installation or processing) in unchanged or modified form.

### **XV. Provision of Materials, Retention of Title**

1. The material provided by Carrier for the execution of an order remains the property of Carrier. This also applies in the case of processing and handling carried out on behalf of Carrier, at every stage of processing and handling. When processing with other items not owned by Carrier, Carrier shall have co-ownership of the newly manufactured item in proportion to the value of the respective provision to the sum of all items used in the production, including the supplier's expenses for processing. The supplier shall store the item that becomes Carrier's co-owned property free of charge. The same applies to mixing and blending.

2. Carrier retains ownership of the tools. The supplier is obliged to use the tools exclusively for the production of goods ordered by Carrier. The supplier is obliged to carry out any necessary maintenance and inspection work, as well as all upkeep and repair work, on all tools owned by Carrier at its own expense and in a timely manner.

3. The supplier has no retention of title to the items delivered by it, regardless of the form. All delivery items become the property of Carrier upon handover. No liens of any kind arise.

4. The supplier is liable for the loss or damage of items owned by Carrier. It is obliged to adequately insure, properly store, and hand over to Carrier the items owned by Carrier in accordance with the above provisions upon termination of the contract. Upon request, it must create and transmit inventory lists of items owned by Carrier.

5. Carrier must be promptly informed of any damage to items owned by Carrier. This also applies in the case of enforcement measures of any kind.

### **XVI. Foreign Trade Law**

As part of export control, the supplier must specify for goods classification:

- whether the item (designation, material number) is covered by Annex I of the EC Dual-use Regulation 428/2009 or Part I Section A of the Foreign Trade Regulation. If so, it must specify the list position number.

- whether the item (designation, material number) has a US reference and is covered by the Commerce Control List of the Bureau of Industry and Security. If so, it must specify the Export Control Classification Number (ECCN).

#### **XVII. Data Protection, Public Statements**

The Carrier Data Protection Regulations for Procurement, which are available on the following website, apply:

[Purchasing Data Privacy Policy-Germany-German-0420 tcm558-268403.pdf](#)

The supplier agrees that the data about them and this contract may be transmitted to affiliated companies in Switzerland and the USA. This data will be used exclusively within the framework of Corporate Supply Management to coordinate purchasing activities across the group. The data will not be transmitted to other companies.

All public statements and press releases regarding Carrier, Carrier's employees, products, systems, and solutions, and/or the cooperation with Carrier require Carrier's prior written consent.

#### **XVIII. Set-off, Assignment, and Jurisdiction**

1. Set-off against Carrier's claims or the exercise of a right of retention is only permissible if the respective counterclaim has been acknowledged in writing by Carrier or has been legally established.
2. Carrier is entitled to set off all claims, regardless of their nature, against all claims of the supplier that the supplier has against Carrier Innovation Technologies.
3. The supplier may not assign claims arising from the contractual relationship, regardless of their nature, to third parties without the prior written consent of the respective ordering Carrier company.
4. Swiss law applies, excluding the UN Convention on Contracts for the International Sale of Goods (CISG).
5. The place of performance for all payments and deliveries is the headquarters of Carrier Innovation Technologies GmbH.
6. For all legal disputes, including those concerning the validity of a contract and these terms and conditions, the place of jurisdiction is agreed to be the headquarters of Carrier Innovation Technologies GmbH. The supplier may also be sued at any other place where a general jurisdiction for the supplier is established according to general regulations.