

Applicable from August 2023 for:

**Lonza AG
Lonza Sales AG
Micro-Macinazione SA
BioAtrium AG**

(hereinafter referred to as "Lonza")

1. Scope

1.1 These "general terms and conditions for the purchase of technical material and work connected therewith" ("the purchase terms") shall apply to all purchases and associated work, such as assembly, functional testing, control, services, commissioning, maintenance, engineering, etc. ("ordered services") which are entered into between the supplier ("the supplier") and Lonza, provided that no express provision to the contrary is made in writing in the individual order. These purchase terms shall apply only to services ordered which are not subject to any other contractual provisions.

1.2 Different or additional terms, including in particular suppliers' general terms of supply or sale, shall apply to Lonza only where they have been specifically agreed and acknowledged in writing by Lonza. Lonza's purchase terms shall apply even where Lonza is aware of different terms on the part of the supplier and accepts the supplier's services.

2. Invitation to tender and submission of tenders

2.1 On the basis of an invitation to tender from Lonza, the supplier is requested to submit a tender (including tender presentation) at no expense to Lonza. In the tender, the supplier shall keep precisely to Lonza's invitation to tender and shall specifically indicate any deviations which arise. If the supplier does not lay down any time limit in his tender, it shall be binding for the supplier for 90 days.

2.2 The cost-free tender pursuant to Clause 2.1 shall additionally contain all work connected therewith by the supplier, in particular the price components contained in Clause 4.

2.3 If the supplier determines that the purchases intended by Lonza are unsuitable for the intended purpose, the supplier shall immediately notify Lonza thereof.

3. Components of the order

3.1 All components of the order shall be listed in each order from Lonza. The provisions of each order shall take precedence over these purchase terms.

3.2 An order shall be binding for Lonza only where it has been granted or confirmed by Lonza in writing or electronically. The same shall also apply to supplements of all kinds to orders which have been placed.

3.3 The order shall be binding for the supplier, unless said supplier rejects it in writing within 5 working days. The services ordered shall correspond precisely to the order in terms of quantities and quality. If the supplier diverges from the order, it shall notify Lonza thereof. Unless Lonza specifically agrees to these divergences, it shall no longer be bound by its order.

3.4 Before it proceeds to carry out the order, the supplier has to check in detail all the documents it has been given by Lonza. Any discrepancies must be reported to Lonza in good time in writing before work begins.

3.5 Lonza is entitled at any time to make unilateral amendments to technical documents, such as to performance plans, flow diagrams, isometries, assembly instructions, etc. Any additional costs resulting from this are borne by Lonza. Other amendments and supplements to the order must be made in writing. Lonza is entitled at any time to assign its rights and obligations under the order to an affiliated company or to a third party.

4. Prices

The price contained in any order shall be an absolute fixed price (plus the respective statutory Value Added Tax) payable in respect of the subject matter of the order by the supplier. In particular, it shall cover authorizations, customs duties, taxes or levies, insurance, packaging, transportation, expenses etc. and the supplier's services directly connected therewith such as assembly, functional testing, control, servicing, commissioning, maintenance, engineering, etc.

5. Packaging, transportation, documents

5.1 The supply terms shall be governed by INCOTERMS® 2020. In the absence of any differently worded supply terms in the order, the services ordered within the country shall be performed on the basis "DAP place of destination (INCOTERMS® 2020)". Services ordered from abroad shall be "DDP place of destination (INCOTERMS® 2020)".

5.2 The supplier shall be liable for losses resulting from improper packaging.

5.3 In the case of products which must be stored in accordance with specific provisions, Lonza must be provided with the relevant provisions by the supplier.

5.4 The supplier shall be responsible for all costs and disadvantages resulting from failure to comply with Lonza's instructions.

5.5 On all dispatch documents and delivery notes, the supplier shall indicate Lonza's order number and also details of the gross and net weight and dimensions.

5.6 If Lonza is not provided, in accordance with contract, with the requested dispatch documents, documentation and certificates, the invoice amount shall not be payable until the omission has been rectified.

5.7 The supplier guarantees traceability at all times.

6. Place of performance and transfer of risk

6.1 The place of performance shall be the destination indicated by Lonza in the order.

6.2 The benefit and the risk shall be transferred to Lonza at the place of performance.

7. Delivery dates, delay in delivery, force majeure and contractual penalties

7.1 The agreed dates are fixed dates. Services ordered shall take place on the date stipulated in the order or within the agreed time period. When it expires, the supplier is in arrears without any subsequent deadline being set. The supplier may rely upon the omission of necessary documents or parts to be supplied by Lonza only if it requested them at the proper time. The delivery period shall then be appropriately extended.

7.2 The supplier shall compensate Lonza for all direct and indirect losses resulting from delay. Acceptance of a delayed service shall not constitute waiver of compensation claims.

7.3 The parties shall then not be liable for the late, improper performance or non-performance of the contract if such delay or non-performance is due to events or circumstances entirely beyond the control or responsibility of the respective party and could not reasonably have been foreseen ("force majeure"), provided the party concerned gives prompt notice thereof and makes all reasonable efforts to perform the contract. If a force majeure situation persists for more than 30 days, Lonza shall be entitled to terminate or revoke the agreement (in whole or in part) with immediate effect in writing. Moreover, Lonza is entitled to withdraw from the contract at any time if the services ordered are no longer usable by Lonza, taking into account economic considerations. Instead, Lonza may purchase similar goods and/or services through third parties. The relevant quantities shall be excluded from any (minimum) quantity calculation.

7.4 If the supplier does not comply with the date stipulated in the order, he shall pay the contractual penalty stipulated in the order. Acceptance of the delayed service shall not constitute a waiver of the contractual penalty. Payment of the contractual penalty shall not however release the supplier from the other contractual obligations. The right to claim a higher loss is specifically reserved.

7.5 Notice shall be given in good time of the performance of an ordered service prior to the agreed date. Lonza specifically reserves the right to refuse to accept a premature supply of services ordered where operational grounds exist, without this constituting delay in acceptance.

7.6 Unless otherwise agreed, Lonza specifically reserves the right to refuse or to store a non-agreed under- or over-supply of services ordered, at the supplier's cost and risk.

8. Payment terms

8.1 Payment shall be made in accordance with the agreed terms. Unless otherwise agreed, Lonza shall make payment within 60 days of receipt of the invoice, which shall however be issued no earlier than delivery or acceptance. The possibilities of setoff against counterclaims and the provisions of Article 10 are reserved.

8.2 In the event of advance payments, the supplier shall provide an appropriate bank or insurance guarantee. The supplier shall bear the costs thereof.

8.3 Before the final payment is made, the supplier provides security for its liability in respect of obvious and hidden defects. The security consists of a guarantee/joint security of a renowned bank or insurance company for the sum agreed according to the order. If no such sum has been agreed, the guarantee/joint security will be for at least 10% of the total value of the order.

9. Involvement of subsuppliers: admissibility and liability

9.1 The supplier shall himself perform the order.

9.2 The involvement of a subsupplier shall be permitted only with Lonza's prior written consent. Lonza may demand at any time that certain subsuppliers be included to perform the contract. However, irrespective of whether it may/must employ subsuppliers, the supplier remains technically and commercially liable with respect to Lonza to the same agreed extent.

9.3 The supplier shall be liable in respect of subsuppliers to the same extent as if he had acted himself. This also applies in particular to the subsuppliers proposed by Lonza. Additionally, the supplier shall include in the subsupply contract those provisions regarding the order and these purchase terms which are necessary to protect Lonza's interests.

10. Building workers' lien and payment of subsuppliers

10.1 In order to prevent the registration of building workers' liens by the subsuppliers, Lonza may at any time demand adequate securities from the supplier, in particular an irrevocable bank guarantee payable on first demand.

10.2 If the sub-suppliers are only inadequately guaranteed by the supplier, or not guaranteed at all, Lonza shall be entitled to make direct arrangements for the guarantees, this being offset against the price.

10.3 Lonza shall be entitled to pay the sub-suppliers direct, with offsetting against the price, where the supplier himself fails to prove that he has paid the sub-suppliers in full. Additionally, Lonza shall be entitled to deposit disputed amounts and thereby be discharged.

11. Provision of materials, tools and documents

11.1 Materials, parts and components supplied by Lonza for the performance of an order shall remain Lonza's property even after processing or assimilation. Unused materials, parts and components shall be returned to Lonza without being requested.

11.2 Lonza shall remain the owner of tools provided at all times. The supplier shall use the tools exclusively for carrying out the services ordered by Lonza, shall insure the tools belonging to Lonza, at its own expense, against loss and damage and shall return the tools to Lonza, without being requested, after carrying out the order. Additionally, the supplier shall carry out necessary maintenance and inspection work in good time at its own expense.

11.3 Lonza shall remain the owner, at all times, of designs, illustrations, drawings, calculations and other documents. They shall be kept secret and shall not be made available to third parties without Lonza's written consent. They shall be used exclusively for the purpose of carrying out Lonza's order. After the order has been carried out, they shall be returned to Lonza without being requested.

12. Acceptance and guarantee

12.1 The supplier shall carry out the services ordered using trained technical staff and exercising all due care.

12.2 The supplier further acknowledges and agrees that it will at all times comply with Lonza's Supplier Code of Conduct which may be accessed via our corporate website at <https://www.lonza.com/public/supplier-code-of-conduct>

12.3 Lonza is entitled to cancel all or part of an order early if, for example, the supplier's ordered services are carried out inadequately or insufficiently, agreed conditions have not been complied with or deadlines have not been met owing to the fault of the supplier or its sub-suppliers and, as a result, the completion of an order is hindered. However, in such a case, the supplier is first given a reasonable period of time in which to remedy the situation.

12.4 **Warranty liability:** The supplier shall be liable to Lonza for the contractual and careful performance of the service ordered, and in particular for compliance with the stipulated specifications, all relevant statutory provisions and the requirements and guidelines of public authorities, professional and technical associations and for compliance with the most recent scientific state of the art. The supplier shall carry out a full initial check before performing the service ordered. The supplier shall also be liable to Lonza for ensuring the service ordered is free from third party rights and that no third party rights are contravened and shall indemnify Lonza in respect of third party claims. The supplier's guarantee liability shall also extend to the services performed by sub-suppliers.

12.5 **Warranty periods:** unless any other provision is made in the order, the warranty obligation shall be as follows: (i) in the case of services ordered without installation/startup, 24 months after the transfer of risk and (ii) in the case of services ordered with installation/startup, 24 months after the end of the installation and the successful startup by Lonza or authorization by the corresponding authorizing authority, but a maximum of 36 months after delivery. Defects which occur during this warranty period shall immediately be reported by Lonza to the supplier. The warranty period shall be extended in any event for the period necessary for the investigation and remedying of the defects. Article 201 of the Swiss Code of Obligations shall not apply.

After the expiry of the warranty period, the supplier shall continue to be liable in respect of latent defects. Such defects must be complained of immediately after they are discovered. Lonza's claims arising from latent defects shall lapse (i) in the case of services ordered without installation/startup, 5 years after the transfer of risk and (ii) in the case of services ordered with installation/startup, 5 years from the end of the installation and successful startup by Lonza or authorization by the corresponding authorizing authority. The warranty period shall be extended in any event for the period necessary for the investigation and remedying of the latent defect.

The supplier shall take out liability insurance for losses and consequential losses (in particular product liability) for the duration of the warranty periods with a minimum amount covered of CHF 5 million and shall give Lonza confirmation of the existence of the insurance cover on demand.

12.6 In the context of the warranty, Lonza may, at its option, demand (i) cancellation of the order, (ii) reduction of the purchase price or (iii) subsequent reconditioning or subsequent delivery of defect-free services.

12.7 The right is specifically reserved to make further legal claims, particularly claims in respect of indirect losses, futile expenditure and consequential losses attributable to a defect in the services ordered.

13. Work done by the supplier at Lonza's premises

The supplier undertakes to ensure that anyone working on a Lonza site in Switzerland has a valid permit to undertake gainful employment in Switzerland. Further specific instructions and regulations apply to work on a Lonza site in Switzerland in addition to these terms and conditions. These instructions and regulations are provided before work begins and are to be complied with expressly.

14. Drawings, test certificates, operating instructions, quality and documentation

14.1 The approval of performance drawings by Lonza shall not discharge the supplier from responsibility for the services ordered. The definitive performances plans, test certificates, maintenance and operating instructions and lists of spare parts for the proper maintenance of the services ordered shall be delivered to Lonza in the requested number and language together with the services ordered.

14.2 In respect of the services ordered, the supplier shall comply with the most recent scientific state of the art, the safety requirements and the agreed technical data. The supplier shall institute and demonstrate corresponding quality management.

14.3 With its first delivery, the supplier has to provide Lonza with a CE declaration of conformity, incl. the relevant documents, as well as all other declarations of conformity necessary for operation and application purposes.

14.4 In his quality records, the supplier shall stipulate in respect of all services ordered when, how and by whom their defect-free manufacture has been guaranteed. This evidence shall be retained for 10 years and produced to Lonza on demand. The supplier shall impose the same obligations on prior suppliers and sub-suppliers.

15. Secrecy

All information transferred by Lonza to the supplier for the purpose of carrying out the contract shall be used by the supplier only for the purpose of carrying out the contract and shall not be used for other purposes or duplicated or made available to third parties. Additionally, all information about Lonza which the supplier acquires orally, in writing or electronically shall be kept strictly confidential by the supplier, unless such information is already publically known or becomes publically known without any contravention of the secrecy obligation. Additionally, the supplier shall ensure that his agents and the sub-suppliers used by him keep the information about Lonza in a confidential manner.

16. Saving clause

If any part of these purchase terms is or becomes invalid, the validity of the remaining provisions and the contractual agreements which have been made shall be unaffected thereby. The invalid provisions shall be replaced by an admissible agreement or statutory provision which approximates as closely as possible to the commercial purpose.

17. Applicable law and jurisdiction

17.1 Swiss law shall apply exclusively to these purchase terms and to the orders. The supplier shall comply with the statutory provisions and the instructions of the public authorities applicable at the place for the performance of the services. 17.2 The parties shall endeavour where possible to settle any disputes regarding the creation, interpretation and performance of the order by way of negotiation. The City of Basel (Switzerland) shall be the exclusive venue for jurisdiction. The application of the UN Convention on the international sale of goods is specifically excluded.

Electronic Signatures

User	Date/Time (GMT)	Justification
Zurbruggen Martin mzurbrigg1	06-Jul-2023 17:02:35	Workflow Signoff Approval
Stanek Michael mstanek	07-Jul-2023 14:39:36	Workflow Signoff Approval
Heidemann Till theidemann	18-Jul-2023 11:19:06	Workflow Signoff Last Approval