



GENERAL TERMS AND CONDITIONS FOR PURCHASE OF SUPPLIES AND/OR SERVICES

Section 1: Scope

1. These general terms and conditions (the "**GTC**") govern the contracts of sales of supplies and/or services (the "**Agreements**") entered into between On AG, Zurich, Switzerland ("**On AG**"), or any of its affiliates, as outlined below (hereinafter On AG, or its respective affiliate, referred to as "**On**") as the customer and you as the supplier (the "**Supplier**" or "**you**" and together with On, the "**Parties**") selling products (the "**Products**") and/or providing services (the "**Services**") to On, which Agreements expressly make reference to and incorporate this GTC.

If you are registered in Australia or New Zealand, these GTC govern the rights and obligations between On Oceania Pty Ltd, Victoria, Australia, and the Supplier.

If you are registered in Brazil, these GTC govern the rights and obligations between On Brazil Limitada, São Paulo, Brazil, and the Supplier.

If you are registered in Canada, these GTC govern the rights and obligations between On Running Canada Inc., Vancouver, BC Canada and the Supplier.

If you are registered in China Mainland, these GTC govern the rights and obligations between On Running Sporting Goods Company Ltd. (Shanghai) (昂跑体育用品 (上海) 有限公司) – Shanghai, China, and the Supplier.

If you are registered in Hong Kong, Korea, Malaysia, Philippines, Singapore, Taiwan, Thailand, these GTC govern the rights and obligations between On Hong Kong Ltd., Hong Kong, and the Supplier.

If you are registered in Japan, these GTC govern the rights and obligations between On Japan K. K., Japan, and the Supplier.

If you are registered in the United Kingdom, Northern Ireland, Channel Islands, Falkland Islands, Aktokiri and Dhekelia, St Helena, Tristan de Cunha and Ascension, these GTC govern the rights and obligations between On Running UK Ltd, London, United Kingdom, and the Supplier.

If you are registered in the USA, these GTC govern the rights and obligations between On Inc., USA, and the Supplier.

If you are registered outside of above listed countries, these GTC govern the rights and obligations between you and:

- On AG, if you are based in Europe, LATAM or ROW; or
- On Hong Kong Ltd., if you are based in the APAC region.

2. Further information about On can be found on the website in its company information section (https://Partner-service.on-running.com/en-ch/company_information).

3. These GTC apply between the Parties, excluding any other terms that the Supplier seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.
4. In case of inconsistency between the provisions of these GTC and the provisions of the Agreement, the provisions of the Agreement shall prevail.

Section 2: Contract and Order Confirmation

1. The Agreement shall not constitute a binding contract until it is expressly submitted in writing and signed by the Parties. It may also be placed via an electronic system furnished by On (e.g. Coupa). The Contract shall be deemed implicitly accepted from the Supplier by fulfilling the Contract in whole or in part.
2. All orders placed with the Supplier by On for Products shall constitute an offer to the Supplier under these GTC ("**Order**") and are subject to confirmation of the Order by the Supplier within the meaning as set out below.
3. The Supplier acknowledges that the Product's sales prices offered to On are binding for at least one year after submission.
4. On shall have the right to amend, modify or cancel the Order before it is confirmed.
5. If the Supplier does not confirm an Order within ten (10) business days, the Order is deemed to have been confirmed.

Section 3: Order Modification or Cancellation

1. On shall have the right to amend, modify or cancel the Order before its confirmed. On reserves the right at any time prior to shipment to make a change to: specifications; mode and incoterm for delivery; place of delivery, schedule of delivery and the quantities of delivery. On may informally cancel without stating any reason and without incurring any liability.
2. The Parties acknowledge and agree that On shall not be liable for any losses incurred by the Supplier, distributors, retailers or any other parties, including but not limited to loss of profits, or any other indirect or consequential damages arising from a modification, cancellation or rescheduling of an Order.

Section 4: Price and Terms of Payment

1. The prices payable by On for the Products or Services shall be as stipulated in the Agreement and no alteration of such prices shall be compensated without the explicit consent of On.
2. Prices payable by On are those in the indicated currency and in effect at the time of confirmation of the Order, and if not otherwise agreed are DAP (INCOTERM 2020).
3. Agreed prices shall include all services, as well as all additional costs, fees and taxes (including but not limited to packing, transport costs or VAT). Services performed by the Supplier in addition to the agreed services shall only be remunerated with the prior written consent of On.
4. On shall pay the invoice in accordance with the payment terms agreed in the

Contract. If the payment terms were not specified in the Contract and provided that all agreed obligations have been satisfactorily fulfilled, the invoice shall be payable within sixty (60) days following the receipt of the invoice. Payment shall be made in the country in which the Supplier is registered and to a bank account in the name of the Supplier. Supplier shall register in the Coupa system and furnish all necessary bank details, which must correspond to the information detailed on the invoices. Any additional costs due to currency conversion or bank transfers shall be borne by the Supplier.

5. Where any item on an invoice are disputed, On may withhold payment for the item or items so disputed until such time as the dispute is resolved.

Section 5: Delivery

1. The Supplier shall deliver the Products or provide the Services DAP (INCOTERM) to the location set out in the Order ("**Delivery Location**").
2. The Supplier shall deliver the Products or Services to the Delivery Location by appropriate conveyance no later than either by the dates specified in the Agreement or by the pre-agreed dates between On and the Supplier in a written form. Any delays in delivery must be communicated promptly to On in writing.
3. Supplier guarantees full collaboration with On's logistic and procurement teams from the moment of ending production until booking the freight. The Supplier shall not book freight without the prior written consent of On. The Supplier must align with On before shipping out purchased Products and follow the standard processes set up by On (including but not limited to sharing packing lists, commercial invoices, certifications, customs declarations).
4. If the delivery of the Products/Services does not comply with the agreed delivery date(s) and is not caused by On or a Force Majeure event, without any prejudice to any other rights which it may have, On reserves the right to choose to (i) withdraw from the Contract in whole or in part; (ii) demand a reduction of the purchase price by ten (10) percent per delayed business day; or (iii) make a substitute purchase and charge the Supplier for the additional costs incurred.
5. If the Supplier does not deliver the Products/Services on the agreed time of delivery, and the delay is not caused by On or Force Majeure event, On is entitled to liquidated damages as from the agreed delivery date. The liquidated damages amount to five (5) percent of the total purchase price per week of delay, however not exceeding twelve (12) percent of the total purchase price in the aggregate. The liquidated damages fall due for payment at On's written demand. Partial deliveries shall not exempt Supplier from liability pursuant to this clause.

Section 6: Inspection and Quality

1. On is entitled to a reasonable period for inspecting the delivered Products and reporting any defects to Supplier. On reserves the right to reject all or part of the Products that do not comply with the Agreement. In the event of non-compliance, On is entitled to demand redemption and the subsequent delivery of Products and Services.

2. On's obligation to inspect shall be limited to defects which are discoverable by On's examination of the external aspects of the incoming Products (e.g. damaged packaging, incorrect or insufficient delivery), including of the quality of delivery documents. In all other respects, it depends on the extent to which an inspection is feasible in the ordinary course of business, considering the circumstances of the case. On's obligation to give notice of defects discovered later remains unaffected. In all cases, On's complaint (notification of defect) shall be deemed to be immediate and timely if it is received by the Supplier within thirty (30) working days of discovery of the defects. Further legal rights of On shall remain unaffected.
3. Should there be any defects in the Products and/or Services that were not detectable upon initial examination ("**Hidden Defects**"), On shall have a reasonable period to notify such Hidden Defects once they become evident and/or to reject the Products and/or Services.
4. Payments made by the On shall not constitute acceptance of said Products/Services.
5. On shall notify Supplier if any Products delivered are rejected, and at On's election and Supplier's risk and expense, such Product shall be held by On or returned to Supplier. No replacement or correction of nonconforming Products shall be made by Supplier unless agreed to in writing by On. If On has already accepted the Products, and a written complaint is made by On to Supplier to inform about the defective state of the Products, the Supplier undertakes to take back the defective Products, or provide other compensation as agreed with On in the context of rectification.
6. Expenses for or returning of the Product (in particular, transport costs) shall be borne by Supplier in the aforementioned cases.

Section 7: Warranty

1. The Supplier represents and warrants that the Products and/or Services supplied shall meet the highest standards of quality; shall conform to the specifications, drawings, samples or other descriptions contained or referenced in the Contract. The Products are guaranteed to be suitable for their intended purpose, free from defects – whether latent or patent- and made with good materials and workmanship.
2. Supplier shall guarantee that the Products are free of rights of third parties. If a third-party assert claims against On because the contractual obligations infringe its rights, in particular its property rights (for example, copyright or patent rights), Supplier shall indemnify On against these claims and all expenses associated with defense against these claims, unless Supplier is not at fault in this respect. The obligation to indemnify shall exist irrespective of whether the claims were raised justifiably or not, but the fault requirement shall remain unaffected. It is pointed out that in the case of unjustified claims, Supplier is free to take recourse against the third party who has asserted the claims.
3. If Supplier fails to fulfill its warranty obligations in a timely or complete manner, and upon receiving prior notice from On, On reserves the right to: demand proper rectification of the defect, request a reduction in price, remedy the defect themselves

or through a third party at Supplier's expense, or withdraw from the contract, in whole or in part, and return the defective Products, in exchange for a refund of the fees paid. Furthermore, any additional claims for damage by On against Supplier shall remain unaffected.

Section 8: Liability

1. The Supplier shall be liable for all loss, damage or injury resulting from its behaviour or from defective Products and/or Services unless it can prove that it was not at fault. The Supplier shall bear liability for its own behaviour and for that of auxiliary persons and third parties involved and their staff in the same manner as for its own. The foregoing shall be without prejudice to claims based on product liability.
2. Without prejudice to applicable mandatory law or unless otherwise agreed between the Parties, Supplier shall compensate/indemnify On for all damages and losses in connection with the Agreement whether or not Supplier may have been negligent or at fault (i) for Supplier's breaches of the terms of Agreement, and (ii) for any claim, made by a third party (including employees of Supplier) against On in connection with the Products and/or Services to the extent that the respective liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Products and/or Services delivered by Supplier and/or its sub-contractors. Upon On's request Supplier shall defend On against any third party claims.
3. The Supplier shall be responsible for observance of all of its suppliers and/or sub-contractors, and it shall be responsible for the acts, defaults, negligence or obligations of any of its suppliers and/or sub-contractors, its agents, servants or workmen as fully as if they were the acts, defaults, negligence or obligations of Supplier.
4. The provisions of section 10 (Liability) shall survive any performance, acceptance or payment pursuant to these GTC and shall extend to any substituted or replacement Products delivered by Supplier to On.

Section 9: Miscellaneous

1. The headings of the clauses of these GTC are not intended to affect their interpretation.
2. The Agreement language is English, and the English version shall prevail. Agreement documents in a language other than English are provided for convenience informational purposes only and are not to be relied upon and shall not have any binding legal effect in any jurisdiction.
3. On may transfer, assign, or sub-contract all or any rights and obligations under these GTC and any contract. The Supplier may not sub-contract, assign or otherwise transfer any of its rights or obligations under these GTC or any agreement without the written consent of On.
4. A person who is not party to the Agreement shall have no right to enforce its terms.
5. Failure by On to enforce at any time any of the provisions of these GTC shall not in any way be construed as a waiver of such provision, nor in any way affect the validity

of the GTC or any right thereunder.

6. In performing its obligations under these GTC On shall not be liable for loss, damage, detention, or delay resulting from a Force Majeure event such as, but not limited to, fire, flood, strike, explosion, lockout, civil or military authority, pandemic (e.g. Covid-19) insurrection, riot, war embargo, transportation shortage or delay, wreck, breakage of machinery, or inability to obtain fuel, power, raw materials or labour ("**Force Majeure event** "). If On is unable to perform any of its obligations due to a Force Majeure event, then On shall be excused from such obligations and performance during the pendency of such cause. On has the right to terminate the Agreement for such cause at any time with immediate effect, without incurring any liability and without any obligation to compensate the Supplier.
7. If any provisions of these GTC are found to be invalid, illegal, or unenforceable in a particular jurisdiction the remaining provisions shall not in any way be affected or impaired thereby. On and the Supplier shall agree a replacement provision for application in such jurisdiction, which is as close as is legally permissible including in economic terms to the provision found invalid, illegal, or unenforceable, and which achieves as closely as possible the effects of the original provision.
8. The Supplier waives the right to offset any claims against On.
9. On reserves the right to modify these GTC from time to time. The GTC in force at the time the Order is placed by On shall apply.
10. The Agreement does not constitute a corporate relationship between the Parties. The Supplier remains an independent company separate from On. Both Parties shall refrain from anything that might create the impression among third parties that a corporate relationship exists between them. The Supplier shall desist from all actions creating the appearance that it is entitled to represent On or belongs to On.

Section 10: Obligation Pertaining to Personal Information

1. Personal information is data that can be used to identify a person or that can otherwise be linked to the person (the "**Personal Information**").
2. The terms of this clause apply to any Personal Information shared between the Parties in the performance of the Agreement. Personal Information, or its closest equivalent term, has the meaning given to that term under the applicable data protection laws.
3. The Parties acknowledge and agree that they will each act as separate and independent controllers in relation to the Personal Information which they process pursuant to, or in connection with the Agreement.
4. The Supplier warrants and undertakes to comply with its obligations under all applicable data protection laws. The Supplier shall perform its obligations under these GTC and process Personal Information in connection with the Agreement in such a way so as not to cause On to breach any of its obligations under applicable data protection laws
5. The Supplier shall implement and maintain appropriate technical and organisational measures to ensure a level of security appropriate to the risks that are presented by

the processing of Personal Information in connection with the Agreement and shall protect the Personal Information against unauthorised or unlawful processing and against accidental loss, destruction, damage, alteration, or disclosure.

6. Where applicable and required under applicable data protection laws, the Supplier shall implement measures to ensure that the requirements for privacy notice and informed consent, and any other requirements under applicable data protection laws, have been fully complied with, and such measures are sufficient in scope to enable On to receive and otherwise process the Personal Information as stipulated in the Agreement.
7. If the Supplier appoints a third party processor to process Personal Information in connection with the Agreement, prior to any disclosure of Personal Information to the third party processor, the Supplier agrees that it will comply with the applicable data protection laws in respect of such appointment and will ensure that each processor complies with the applicable data protection laws in respect of its processing of Personal Information in connection with the Agreement.
8. Service Provider shall refrain from disclosing or transferring Personal Information processed in connection with the Agreement outside the country where the Personal Information was collected from a data subject, unless such disclosure or transfer is compliant with the applicable data protection laws.
9. The Supplier shall, within twenty-four (24) hours of becoming aware, provide On with notification of any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, any personal information processed in connection with the Agreement. The Supplier shall provide, at its sole cost, timely assistance and cooperation as reasonably requested by On in order for On to fulfil its obligations under applicable data protection laws with respect to the breach.
10. Where required for On to comply with applicable data protection laws, the Supplier will notify On promptly in writing upon receiving a request, complaint, demand, investigation, legal process or order related to the Personal Information processed in connection with the Agreement, that is received from either a data subject, competent government or regulatory authority or other third party. The Supplier will not respond to such request unless authorised to do so in writing by On or if the Supplier reasonably believes a response is required by applicable law. Service Provider will cooperate in good faith and at its own cost to comply with applicable legal requirements to respond to such request in a manner consistent with applicable data protection laws.
11. The Supplier shall indemnify On against all claims, demands, actions, costs, expenses, losses and damages under applicable data protection laws to the extent such breach is caused by the Supplier.

Section 11: Applicable Law and Jurisdiction

1. Contractual relations covered by these GTC between On and the Supplier shall be governed by Swiss law to the exclusion of international treaties, particularly the United Nations Convention on Contracts for the International Sale of Goods of 11

April 1980 (CISG). All conflicts and disputes arising, directly or indirectly, under or in connection with the contractual relationship between On and the Supplier shall be submitted to the exclusive jurisdiction of the courts of Zurich, Canton of Zurich, Switzerland. On shall be entitled to alternatively sue the Supplier at the competent court at Supplier's domicile.

2. The choice of law and jurisdiction in Section 12.1 above shall not apply if and to the extent that you are mandatorily entitled to (i) invoke the application of the local law of your country of registration; and/or (ii) submit any disputes under or in connection with the Supplier's contractual relationship with On to the competent courts of the Supplier's place of registration.
3. Any statutory rights which the Supplier may have, and which cannot be excluded or limited, will not be affected by these GTCs.

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