

General Conditions of Purchase

I. General Section

1. General Scope of Application

1.1 Zimmer GmbH ("ZIMMER BIOMET") places orders solely on the basis of these General Conditions of Purchase ("GCP"). The GCP applies to all—including future—purchase contracts, works contracts, and services contracts concluded by ZIMMER BIOMET and to their performance by suppliers, even no explicit reference is made to them in the order. The term "Supplier" will be construed as the contract partner specifically commissioned by ZIMMER BIOMET for a delivery or for works or services. By accepting an order or commission, Supplier affirms acceptance of the GCP in the applicable valid version.

1.2 All individual agreements (including ancillary agreements, supplements, and amendments) concluded between ZIMMER BIOMET and Supplier for the purpose of executing the contract will take precedence over these GCP. In addition and to the extent no other agreements are made, these conditions of purchase will apply exclusively as part of the contract. If any special conditions in departure from these conditions are agreed for a particular order, these GCP will be subordinate and supplementary.

1.3 The GCP also apply in particular in any case when ZIMMER BIOMET accepts from Supplier a delivery without reservation and/or payment without objection even in the knowledge of terms and conditions of Supplier that are contrary to or deviate from these General Conditions of Purchase. Accordingly, any different terms and conditions of business will not be accepted by ZIMMER BIOMET, and will likewise not be accepted even if ZIMMER BIOMET has not expressly objected thereto. Even if ZIMMER BIOMET makes reference in an order to the offer documents of Supplier, this does not constitute any agreement as to the applicability of the terms and conditions of Supplier.

1.4 Should any individual provisions of these GCP be or become invalid or void, whether now or in the future, the remaining provisions of these GCP and/or the contract will remain unaffected thereby. The parties commit to replace the invalid provision with an arrangement that approximates as closely as possible to the intended economic objectives of the invalid provision. The same will apply if any loophole is found to exist in the contract.

2. Offers and Conclusion of Contract

2.1 All offers and quotations made by suppliers are without charge, non-binding, and will not obligate ZIMMER BIOMET to reimburse any expenses, even if offers and quotations are created upon request by ZIMMER BIOMET and/or if no commission is issued/order is placed as a result. Offers must be binding on suppliers for a period of 12 weeks from the time received by ZIMMER BIOMET.

2.2 Simple requests for quotation from ZIMMER BIOMET are non-binding and serve only as a request for Supplier to provide an offer. Offers by suppliers must be worded in conformity with the text of the inquiry. Alternative proposals must be conveyed separately and all changes must be explicitly indicated.

2.3 Similarly, any confirmation that deviates from the order constitutes a new offer and will require express acceptance by ZIMMER BIOMET. If such written acceptance is not provided and the delivery/service is nonetheless performed, ZIMMER BIOMET will take acceptance of it only on the terms and conditions of the originally placed order.

2.4 Supplier offers that do not contain these General Conditions of Purchase in their entirety or make reference to the Supplier's General Terms and Conditions (GT&C) will not be accepted by ZIMMER BIOMET. Any possible questions from ZIMMER BIOMET about such offers by Supplier will by no means constitute an acceptance.

2.5 Supplier is obligated to confirm the order placed by ZIMMER BIOMET without delay or to carry out shipment of goods without reservation

("Acceptance"). If Supplier does not provide Acceptance within two weeks of the date of the order, ZIMMER BIOMET will be entitled to rescind the order and withdraw immediately from the contract.

2.6 Acceptance of offer and placement of order will be binding only when made in writing. Even any orders placed in advance orally or by telephone, as well as all ancillary agreements or subsequent amendments will require written confirmation issued by ZIMMER BIOMET to be legally valid.

2.7 Changes on the part of ZIMMER BIOMET to a request for services and/or order for goods that are objectively justified and reasonable must be tolerated by Supplier if they do not result in an aggregated increase in price and/or works remuneration of 10% of the contract sum.

2.8 Passing on an order to a third party will be permissible only with written approval from ZIMMER BIOMET. If approval is granted, Supplier will bear liability for its subsupplier as its own conduct.

3. Prices and Terms of Payment

3.1 The prices specified in the order are fixed prices. In the absence of any written agreement to the contrary, the price will include customary packaging and will be construed as FCA (Free Carrier) at the site of the agreed freight carrier in accordance with Incoterms 2010. If the order deviates from Incoterms 2010, the order will take precedence. Supplier will use the freight carrier designated by ZIMMER BIOMET. ZIMMER BIOMET will provide Supplier with the contact information for the relevant freight carrier and Supplier will coordinate the modalities of delivery with the freight carrier. For return of packaging, a special arrangement will be required. Prices are exclusive of value-added tax, but inclusive of all other taxes and levies that apply to Suppliers.

3.2 Unless otherwise agreed, the following payment terms apply:

3.2.1 For payment made within 15 days, ZIMMER BIOMET will be entitled to a discount of 3%.

3.2.2 Otherwise, payment terms are 75 days without deduction, unless other payment terms are prescribed on the basis of local legislation. If the payment terms of Supplier are more favorable, they will apply.

3.2.3 Payment and discount periods will be counted from the date that invoices are received, but not before receipt of the goods or acceptance of performance.

3.2.4 Promptness of payment will be determined by the time of initiating transfer of the sum required by ZIMMER BIOMET.

3.2.5 Payments will be made by bank transfer

3.2.6 Settlement of invoices may be performed by other companies in the ZIMMER BIOMET Group.

3.2.7 Supplier is not entitled to offset any payments by ZIMMER BIOMET against any older debts or against costs and interest.

3.2.8 Supplier is likewise not entitled to assign or arrange for collection by a third party of any claims that it may have toward ZIMMER BIOMET.

3.2.9 ZIMMER BIOMET is entitled to offset payments owed to Supplier against outstanding claims held by ZIMMER BIOMET toward Supplier.

4. Deliveries and Delivery Times

4.1 The agreed time of delivery or performance will be binding.

4.2 Receipt of goods at the receiving point designated by ZIMMER BIOMET will be decisive with regard to fulfillment of the delivery deadline or delivery time. For performance of other services, the agreed terms will apply.

4.3 Partial deliveries will only be permitted if they are expressly agreed.

4.4 Unless otherwise agreed, delivery will be effected to the location specified in the order at Supplier's expense. If a specific destination is not agreed, the delivery must be performed at the ZIMMER BIOMET registered place of business. If the likelihood of any delay in delivery, ZIMMER BIOMET must be notified immediately, stating the reasons and estimated length of the delay.

4.5 If deadlines and fixed times have been agreed on the basis of a contract (expiration date transaction), Supplier will be automatically deemed

in default in the event of failure to adhere to such times. In other cases, after the first warning and expiration of a grace period set by ZIMMER BIOMET, Partner will be deemed in default.

4.6 In case of delayed delivery, ZIMMER BIOMET, without prejudice to statutory rights, may furthermore demand the immediate fulfillment of the contract or may withdraw from the contract. In either case, Supplier will bear liability for any loss or damages resulting from exceeding a deadline. Even acceptance of delayed delivery without reservation will not imply any waiver by ZIMMER BIOMET of claims that may arise due to the delayed delivery.

5. Changes in Ownership and Bankruptcy

In case of impending bankruptcy or change in ownership of Supplier, Supplier undertakes to inform ZIMMER BIOMET of these circumstances immediately. If bankruptcy proceedings have been opened against the assets of Supplier or are dismissed for lack of sufficient assets, or in a case of change in ownership, ZIMMER BIOMET without prejudice to the consequences of the legal process will be entitled to take over deliveries that are held by Supplier or its subcontractor and/or to withdraw from the contract in whole or in part.

6. Packaging

6.1 Customary packaging within the meaning of point 3.1 will be construed such that the deliverable must be packed to ensure that packaging is secure and suitable for the mode of freight used.

6.2 Ownership of packaging, packaging materials, etc. will be transferred to ZIMMER BIOMET only at its request. Upon specific request by ZIMMER BIOMET, Supplier undertakes to take back and dispose of packaging in an environmentally safe manner without charge.

6.3 Packaging will be carried out with due care, taking all shipping risks into account. Each shipment must be accompanied by a detailed waybill stating the order number, item number, quantity, origin of goods, and customs code. This should enable the delivered goods to be accurately identified and any defects to be detected quickly and accurately in an uncomplicated manner. Advance, partial, and remaining deliveries must be explicitly indicated as such.

7. Rights Concerning Defects and Duties of Inspection and Filing Complaints

7.1 Concerning the rights of ZIMMER BIOMET in the case of defects in workmanship and title in products (including wrong delivery or underdelivery) and in cases of other violation of obligation by Supplier, the statutory regulations will apply unless stipulated otherwise in the following provisions.

7.2 Under the statutory regulations, Supplier is liable in particular to ensure that upon transfer of risk to ZIMMER BIOMET, products are in the agreed quality and condition. The agreement concerning quality and condition is in any case the applicable product descriptions that comprises the deliverable of the relevant contract, in particular in the descriptions or references in the order placed by ZIMMER BIOMET.

7.3 The statutory provisions for commercial duty of inspection and filing of complaint apply as follows: The duty of inspection by ZIMMER BIOMET is limited to defects that have obviously occurred at the time when incoming goods are checked under external appraisal, including the delivery documents, and at the quality control performed by ZIMMER BIOMET (e.g., transport damage, wrong delivery or underdelivery). If acceptance has been agreed, there will be no duty of inspection.

7.4 If any defect is present, ZIMMER BIOMET will set a reasonable period for Supplier to remedy the defect. Supplier undertakes to remedy the defect within the specified period at its own expense. If the defect can only be remedied by new production, the right to rectification will also include to the right to new production. If the contract deliverable exclusively consists of services, ZIMMER BIOMET is not obligated to extend a right of rectification to Supplier. The setting of a period for remedy will not release Supplier from liability to pay any compensatory damages to ZIMMER BIOMET.

7.5 If Supplier does not fulfill its obligation of rectification, ZIMMER BIOMET may, at its own discretion:

7.5.1 Make a deduction against remuneration commensurate to the inferior value (reduction).

7.5.2 Withdraw from the contract and demand compensation for the loss and damages thus caused.

7.5.3 Rectify the defects on its own or have rectification performed by a third party and demand from Supplier compensation for the effort and expenditure required for this purpose and/or a commensurate advance payment.

7.6 If the rectification by Supplier is wrongly performed or is unacceptable to ZIMMER BIOMET (in particular due to special urgency, risk to occupational safety or impending occurrence of excessive loss and damages), setting of a period will not be required and ZIMMER BIOMET may turn directly to an alternative supplier at the cost and risk of Supplier. Supplier must be notified without delay, where possible in advance.

7.7 Any claims arising from defects in goods will become time-barred 3 years after delivery unless expressly agreed otherwise. For malicious non-disclosure of defects, a 10-year period will apply. In either case, the period will commence with handover of the delivered goods/services to ZIMMER BIOMET or to a third party designated by ZIMMER BIOMET at the receiving point or point of use prescribed by ZIMMER BIOMET. For contracted items where acceptance is agreed under contract, the warranty period will commence at the acceptance date specified by ZIMMER BIOMET in the written declaration of acceptance of purchase. If acceptance is delayed beyond the contractually agreed acceptance window for reasons for which Supplier is not at fault, the warranty period will be 1 year after expiration of the acceptance deadline. For parts of delivery that would remain out of operation due to investigation of defects and/or rectification of defects, the ongoing warranty period will be extended by the time for which operation is interrupted. ZIMMER BIOMET reserves the right to file complaints about obvious and hidden defects at any time during the entire period of limitation. Warranty claim will become time-barred six months after a complaint about defects is filed, notwithstanding not before the end of the warranty period.

7.8 For deliveries of spare parts and repair and maintenance works, and for remedial works performed under warranty, the warranty period will commence anew.

7.9 For delivery of technical equipment, Supplier undertakes to deliver spare parts to ZIMMER BIOMET for the normal lifetime of use under customary conditions.

8. Information Obligations and Liability

8.1 Supplier and ZIMMER BIOMET will each inform the other without delay of any batch recalls and complaints pertaining to the products and/or their basic materials and/or their packaging materials insofar as it concerns the area of responsibility of the other party.

8.2 Technical explanation and in-house follow-up of complaints about products falls under the responsibility of Supplier. Supplier and ZIMMER BIOMET will extend the best possible support to each other in clarifying the reasons for complaints.

8.3 Supplier bears comprehensive liability to the ordering party for all loss and damages caused indirectly or directly by defective performance of contract by Supplier or by a third party engaged by Supplier for fulfilling an order. Irrespective of degree of fault, Supplier is obligated to compensate for loss and damages resulting from breakdown, processing costs and costs that ZIMMER BIOMET must bear towards its customers, in particular in consequence to non-delivery to customers caused by delayed or defective delivery/performance by Supplier.

8.4 If Supplier is responsible for product loss or damage, it must indemnify ZIMMER BIOMET to the extent of any third-party claims as if the cause thereof lies within its organization and sphere of control and Supplier bears liability for such towards external parties.

8.5 Under its indemnity obligation, Supplier must reimburse ZIMMER BIOMET for expenditures arising from or in connection with a third-party claim, including any batch recall by ZIMMER BIOMET. Other statutory claims will not be affected thereby.

8.6 Supplier will draw the attention of ZIMMER BIOMET to any defects that subsequently arise in the contract deliverable in order to prevent every recognizable possibility of loss and damages according to the applicable product liability law at the place of destination, even after the marketing of the subject of the contract.

8.7 Supplier is liable for the conduct of its agents (e.g. employees, supplier, subcontractor or mandatory) and third parties engaged by Supplier for fulfillment of the contract like for its own conduct.

9. Material safety data sheets

To the extent prescribed by law, a relevant material safety data sheet ("MSDS") for the shipment must be enclosed or sent beforehand and the shipment must be labeled accordingly. Furthermore, Supplier will make updated material safety data sheets and drawings available to ZIMMER BIOMET insofar as is prescribed by law.

10. Export classification

Supplier undertakes to notify ZIMMER BIOMET about export classification (Harmonized Tariff Schedule (HTS) and country of origin (COO)).

11. Assurance of Integrity

11.1 The parties undertake to take all necessary measures for prevention of corruption, in particular so that no gratuities or other favors are offered or accepted.

11.2 In the event of failure to comply with this undertaking, Supplier must pay a contractual penalty to ZIMMER BIOMET. This penalty will be 50% of the entire remuneration per violation, subject to a minimum of CHF 25,000.

11.3 Supplier acknowledges that as a rule, a violation will result in early termination of contract by ZIMMER BIOMET for cause.

12. Concluding Provisions

12.1 These conditions are governed by Swiss law. The provisions of the UN Convention on Contracts for International Sale of Goods will not apply.

12.2 The sole jurisdiction for any disputes arising from business dealings with Supplier, including these GCP, is Zurich. ZIMMER BIOMET notwithstanding reserves the right to file claims in the general jurisdiction of Supplier or at the place of performance. Mandatory statutory provisions concerning exclusive jurisdiction will remain unaffected by these provisions.

12.3 Should any individual provisions of these GCP be invalid or become invalid in the future, whether in whole or in part, the validity of the remaining provisions will remain unaffected thereby. The provision that is invalid in whole or in part will be replaced by an arrangement that approximates as closely as possible to the intended economic objectives of the invalid provision.

13. Human Trafficking/Slavery

Supplier warrants that the goods and services offered to ZIMMER BIOMET comply with statutory requirements concerning slavery and human trafficking in the country or countries in which Supplier has operations.

14. Code of Supplier Conduct

Supplier warrants that it has read the Code of Supplier Conduct and that it will comply with the content of this code as long as it supplies goods or delivers services to ZIMMER BIOMET. The Code of Conduct can be downloaded from: www.zimmerbiomet.com/sourcing and is updated by ZIMMER BIOMET from time to time.

Special Provisions

1. The following provisions apply in particular to contracts for purchasing and/or supply of raw materials, materials, or other products ("Products") that we require within the scope of our business in the production and sale of medical products, in particular of implants and the relevant instruments. These provisions apply mutatis mutandis to the manufacture and delivery of products to our specifications and for creation of production facilities.

2. Intellectual Property Rights

2.1 Supplier warrants that no third-party patent, copyright, or other intellectual property right has been infringed in connection with delivery of its products to the extent that it does not establish that it is not at fault in violation of obligation.

2.2 Supplier undertakes to inform ZIMMER BIOMET without delay of any risk of violation and any apparent case of violation of which it has or will acquire knowledge concerning the intellectual property rights of third parties in the products.

2.3 If use or exploitation of products is impaired by existing third-party intellectual property rights, then within a reasonable time and its own risk and expense, Supplier must either acquire the appropriate permissions or to modify or replace the affected products and/or components of the products so that the use and exploitation of the products no longer contravenes any third party intellectual property rights while simultaneously complying with the agreements set forth in the contract, in particular quality requirements. This will not apply if Supplier establishes that for such impairment it is not at fault.

2.4 Supplier will defend against third-party claims of infringement of intellectual property rights at its own risk and expense. If any claim is filed against ZIMMER BIOMET due to violation of intellectual property rights, Supplier will indemnify ZIMMER BIOMET against such these claims and compensate ZIMMER BIOMET for all expenditures incurred from the filing of such claim. Entitlement to indemnification will come into being upon filing of a claim by a third party and from that time will be due and payable.

2.5 Intellectual property rights for work results produced exclusively for ZIMMER BIOMET and all processes and methods developed in connection therewith will be transferred upon handover to ZIMMER BIOMET.

2.6 Intellectual property rights for work results not produced exclusively for ZIMMER BIOMET will be retained by the contract partner. ZIMMER BIOMET will acquire a transferable, irrevocable, non-exclusive right not limited by time or geography for use and exploitation of such rights.

3. Nondisclosure

3.1 Documents, know-how, samples, models, drawings, and other tools or aids for which ZIMMER BIOMET extends access to Supplier for fulfillment of the contract will remain the material and intellectual property of ZIMMER BIOMET and may be used strictly on a project-related basis only. The tools and aids may not be made available or handed over to third parties without approval from ZIMMER BIOMET.

3.2 Supplier is obligated to safeguard all operational and business secrets of ZIMMER BIOMET that come into its knowledge in the course of performance of contractual obligations. The nondisclosure obligation will commence upon acceptance of the contract negotiations and survive indefinitely, even after the end of the contractual relationship. Rights are reserved for statutory disclosure obligations. If a compelling reason exists for sharing of information with a third party and it is unavoidably necessary for fulfillment of the contract, Supplier will assume liability for the third party to abide likewise with the nondisclosure obligation.

3.3 The recipient of confidential information must ensure that all confidential information is stored securely and protected against unauthorized access, damage or loss.

3.4 Confidential information may not be copied and stored by the recipient or otherwise remain with the recipient after the end of the contractual relationship. After performance of the contractual obligations, this information must be returned to ZIMMER BIOMET without charge or destroyed.

3.5 Violation of the nondisclosure obligation will constitute grounds for a contractual penalty imposed by ZIMMER BIOMET, determined at its own discretion, but not less than CHF 25,000. This will also apply to any third party in violation. Imposition of a contractual penalty will neither release Supplier from its nondisclosure obligation nor from claims for loss and damages brought by ZIMMER BIOMET. The amount of the imposed contractual penalty will not be offset against any claim for loss and damages.

3.6 Any statements in connection with the existence, content, and progress of contractual agreements will require written permission from ZIMMER BIOMET. In particular, any contact with the press, radio, television, or other media will only be permissible after ZIMMER BIOMET has granted written permission and been consulted about content. Statements to the media will be treated the same as for statements to third parties that are made publicly available. Irrespective thereof, ZIMMER BIOMET is entitled to inform third parties of the existence of the contract.

3.7 The inclusion of ZIMMER BIOMET in the list of Supplier references (in particular on the website or in various advertising material) will require written approval from ZIMMER BIOMET. Supplier is not permitted to make use of ZIMMER BIOMET protected brands or other trademarks.

3.8 Use of the ZIMMER BIOMET name or logo by Supplier will require prior written permission from ZIMMER BIOMET.

3.9 Unless expressly stipulated otherwise, the application of these GCP may under no circumstances be construed so that Supplier acquired any rights to intellectual property that belongs to ZIMMER BIOMET or for which ZIMMER BIOMET holds a license.

3.10 Other statutory nondisclosure and confidentiality obligations will remain applicable without restriction. To this end, Supplier undertakes to sign a separate nondisclosure agreement.

4. Ownership Rights

4.1 ZIMMER BIOMET retains ownership rights and copyright to all images, plans, drawings, calculations, design instructions, product descriptions, and other documents. This also applies to substances and materials, as well as to tools, templates, samples, and other items that ZIMMER BIOMET makes available to Supplier for production purposes. These items will be stored separately—when not used in processing—at the expense of Supplier and secured within reasonable measure against destruction and loss.

4.2 Processing, mixing, or coupling (further processing) by Supplier of items made available is undertaken on behalf of ZIMMER BIOMET. ZIMMER BIOMET will acquire ownership of the product in accordance with statutory regulations.

4.3 Retention of title by Supplier will apply only to the extent that it relates to a payment obligation for the products for which Supplier is retaining title. In particular, any expanded or extended retention of ownership is not permitted.

5. Warranties and Representations

5.1 Supplier warrants that all contract deliverables and/or deliveries/services have the agreed features and characteristics and have no defects. This includes in particular the warranty that the contract deliverables are of the latest state of the art and conforms to the technical documents and/or specifications included with the order.

5.2 Supplier warrants that the contract deliverables comply with the relevant legal provisions, including and in particular those of the Medical Products Act, and the standards and directives of government agencies, trade associations, professional organizations, any quality assurance agreements

that may have been reached, and the relevant industry standards at the place of performance. If any deviations from these requirements are necessary in individual cases, Supplier must obtain the necessary written approval for this purpose from ZIMMER BIOMET in advance. This approval will not diminish the warranty obligations of Supplier.

6. Data Protection

6.1 When ZIMMER BIOMET transfers personal data (“ZIMMER BIOMET personal data”) to Supplier, Supplier undertakes to comply with all applicable data protection laws and provisions.

6.2 Supplier will take the appropriate physical, technical, and organizational measures to ensure a level of security for ZIMMER BIOMET personal data that is commensurate to risk and to ensure ongoing confidentiality, integrity, availability, and fail-safe performance of the processing systems and services.

6.3 Supplier will not withhold or delay its approval for amendments to this clause that ZIMMER BIOMET or its associated companies in their prudent judgment deem necessary for compliance with the applicable data protection law and provisions and/or directives and orders issued by a competent supervisory authority. Supplier undertakes to implement such changes without additional costs for ZIMMER BIOMET.

6.4 Supplier recognizes that the processing of ZIMMER BIOMET personal data under this contract may require the conclusion of supplementary data processing or data protection agreements with ZIMMER BIOMET or its affiliated companies. If such additional agreements have not been concluded within the framework of the original contract, then upon demand by ZIMMER BIOMET, Supplier, its affiliated companies, and/or subcontractors will conclude such contracts without delay that for ZIMMER BIOMET are prescribed under mandatory law or by a data protection authority or other competent authority.

7. GCP downloadable from the website or contained in documents available online

The GCP that are downloadable from websites or contained in documents available online, and that are referred to in orders, may be amended by ZIMMER BIOMET from time to time. The governing terms are the GCP in the version indicated in the order.

The current version of the GCP is available at

<https://www.zimmerbiomet.com/corporate/suppliers/emea.html>.