

Customer Return Policy of Franke Home Solution in EMEA Region

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1. Purpose and Objective

At Franke Group, we understand the importance of seamless operations for business of our customer. To ensure confidence in our products and services, we offer a comprehensive Customer Return Policy tailored to meet the needs of our business-to-business (B2B) clients. Whether due to freight damages to product, incorrect orders, or customer dislike, our goal is to facilitate a hassle-free return process, ensuring minimal disruption to your operations. Please review the details below to understand the terms and procedures for returning of products.

2. Scope

This Customer Return Policy applies to all Franke Home Solution B2B customers located in EMEA region.

3. Return Notification and Return Form

To ensure a smooth and efficient return process, customers must follow the steps below for proper notification:

3.1. Submission of Return Form

- The online Return Form must be completed and submitted electronically in advance before returning any products.
- This ensures that the return request is logged and reviewed by Franke team.

Required Fields:

- Purchase Order Number
- Product Code
- Product Name
- Quantity
- Date of Purchase
- Invoice Number
- Delivery Note Number
- Customer Contact Information
- Pick-up Address
- Detailed description of the reason
- Photo of the package with visible label of the product
- Photo of the defect along with the photo of the complete product

4. Reason for Return

Customers must clearly specify the reason for the return (e.g., incorrect product, visible product defect detected at first receipt, surplus, etc.) to ensure proper processing. To clarify eligibility, the following distinctions apply to the scope of returns:

4.1. In-Scope Returns

- Customer-Initiated Returns (Customer Goodwill or Mistake):
 - Standard Customer Returns which are in line with Return Policy
- Franke-Initiated Returns (Franke Mistake Reason):
 - Error made by Franke during order entry.
 - Errors in the Franke warehouse during picking, packing or other warehouse activities before shipment.
 - The goods that were damaged during transportation and reported to transporter and insurance company within 7 days.
 - Returns due to courtesy decision approved by Franke
 - Returns due to service reason courtesy approved by Franke

4.2. Out-of-Scope Assessments

- Warranty:
 - A warranty claim is managed through the Warranty Process and not covered by this Return Policy.
- Service:
 - Courtesy credit notes related to services provided (e.g., product exchanges authorized by service, impossible to repair the product, no spare parts) fall outside the scope of this Return Policy.
- Claims:
 - Damage claims requiring financial compensation are not managed as returns and are addressed under the Claims Process.

This framework ensures clear differentiation between standard returns and other processes requiring distinct handling.

Once the form is submitted, Franke team will review the request and provide further instructions, shipping details or additional documentation if needed. Incomplete forms may delay the return process.

5. Conditions for Returns

The following conditions apply:

5.1. Return window from receipt

The acceptability of returns is limited to a maximum of 4 months from the date of delivery. The countries can remain or implement lower period than 4 months.

5.2. Lifecycle Status Categories

- P1 to P5: Products in these categories are considered active and eligible for returns, provided they meet the Return Policy conditions.
- P6 (Obsolete) and P7 (Phased Out): Returns are not accepted for obsolete and Phased Out products.

- For products nearing the end of their lifecycle (P5 transitioning to P6 or P7), returns must be initiated promptly within the allowable return period.

5.3. Verification of Status

Customers are advised to verify the product lifecycle status before initiating a return request. This information can be obtained by contacting Franke Customer Service team.

5.4. Spare Parts Returns

The following guidelines apply specifically to the return of spare parts:

5.4.1. Eligibility for Returns

- Spare parts are eligible for return only if they are in **unused** and **original condition** and were not **unpacked**.
- Custom-made or specially ordered spare parts are **not eligible for return**, unless they are defective or supplied in error by Franke.

5.4.2. Packaging Requirements

- Spare parts must be returned in their **original packaging** with all labels, manuals, and accessories intact.

5.4.3. Condition Assessment

- All returned spare parts will be subject to inspection upon receipt.
- Credit notes will be issued only if the spare parts meet the specified return conditions.

5.5. Custom-made Products

Custom-made products are **not eligible for return**, as they are manufactured or tailored specifically to meet the customer's requirements.

6. Return Thresholds

6.1. Threshold for Low-Value Returns

Returns are not allowed if the total value of the products being returned is below 50 CHF or equivalent in local currency.

This Customer Return Policy ensures cost-effective return handling and avoids unnecessary logistical expenses.

7. Issue of a Return Reference Number

- In the event Franke approves the return, Customers shall receive a Return Reference Number from Franke.
- This number must be clearly attached to the return package or included with the return documentation.

Returns without Return Form or a valid Return Reference Number will not be accepted.

8. Coverage of Transportation cost for Returns

8.1. Customer-Initiated Courtesy Returns (Customer Goodwill or Mistake)

- The customer is responsible for arranging and paying for the transportation of returned products when the return is due to a customer mistake (e.g., incorrect ordering, surplus stock).
- Alternative Option: Franke can arrange the collection of the returned products upon the customer's request. In such cases, the transportation cost will be charged to the customer.

8.2. Franke-Initiated Returns (Franke Mistake Reason)

If the return is due to a Franke error (e.g., incorrect product shipped, Defective On Arrival product warranty (DOA)), Franke will be fully responsible for arranging and covering the transportation costs.

8.3. General Requirements

- Shipment should be done not later than 10 working days from obtaining Franke return reference number.
- All returned products must be packed in **original packaging** and properly secured to prevent damage during transit.
- Customers should retain proof of shipment or tracking details for reference.

9. Inspection of returned goods (incoming goods condition assessment) & Credit Note

All returned products will be subject to inspection upon receipt.

- Credit notes will be issued only if the products meet the specified return conditions by current Customer Return Policy.
- If Franke comes to the conclusion that the returned goods are not eligible for return, Franke gives the customer 30 calendar days to pick up the goods or to organize and pay for the return shipment. If Franke does not receive complete instructions and / or payment for the return shipment by the end of this period, the customer agrees to transfer ownership of the goods to Franke and to authorize Franke to dispose of the goods in its sole discretion, in particular to have them destroyed.

9.1. Product Condition Requirements

- Unused:
 - The product must be in its original condition, free from signs of use or wear.
 - Packaging should be intact and undamaged.
- Complete Components:
 - All accessories, manuals, labels, and other components included in the original packaging must be present.

- Clean and Free from Damage:
 - Items must not show any physical damage (e.g., scratches, dents, or signs of mishandling) caused by the customer.

9.2. Credit Note

9.2.1. Credit Balance Application

The approved credit note shall as a default rule be issue to the Franke customer's account balance. No deployment of cash or cash return payments.

9.2.2. Credit Note Value to be based on Return Reason

9.2.2.1. Customer-Initiated Returns (Customer Goodwill or Mistake)

If the return is for reasons of courtesy, e.g. due to a customer goodwill or ordering error, a maximum of 75% of the credit note value will be applied to the credit balance.

The reduction in value accounts for the following costs incurred during the return process:

- **Restocking Cost:** Cost associated with reintegrating the product into inventory.
- **Processing Cost:** Administrative expenses for handling the return.
- **Repacking Cost:** Costs for repackaging the returned product if necessary.

9.2.2.2. Franke-Initiated Returns (Franke Mistake Reason)

If the return is due to a Franke error (e.g., wrong product shipped, defective product), 100% of the credit note value will be applied to the customer's credit balance.

10. Freight Damages of the Goods.

Customers are required to inspect and reject all goods immediately upon delivery for visible signs of damage to the packaging or products.

The following procedures apply in cases of goods damaged during transportation:

10.1. Freight Damages

- Freight damages shall be immediately rejected by Customer and reported directly to last freight carrier, any non-obvious transport damage within maximum 7 days from goods reception with copy of report to Franke.
- Upon request of Franke, freight damaged goods shall be returned to Franke immediately at costs of Franke, otherwise the good shall as a default rule be disposed as waste by customer.
- Freight damages are part of transportation insurance claim process within Franke Global Insurance Policy provided delivery is at risk of Franke (usually with Incoterms DAP or DDP or similar).

10.2. Not Visible Freight Damages

- Non-visible damage that is discovered at a later stage will be subject to a claim process. The following steps should be taken:
 - Pictures and description of defective product should be shared with Franke entity.

Franke confirms if the products should be returned or scrapped by the customer, depending on the actual condition of the damaged product.

11.Final Provisions

11.1. Contact for Assistance

For any questions or concerns regarding the Customer Return Policy, customers can contact Franke local customer service team.

11.2. Customer Return Policy Updates

This Customer Return Policy comes into force on the date initially stated and is subject to change at Franke's discretion. Any updates will be communicated to customers separately.

11.3. Agreement Compliance

By initiating a return, the customer acknowledges and agrees to comply with the terms outlined in Customer Return Policy.