

**GENERAL PROCUREMENT TERMS AND CONDITIONS OF THE  
ACERINOX GROUP: ACQUISITION AND SUPPLY OF GOODS**  
(Review 1/2021)

**A. DEFINITIONS**

The following expressions shall have the following definitions in these Terms and Conditions:

- 1.- “**Customer**” is the Acerinox Group entity that undertakes the acquisition or supply of Goods and/or the entity that succeeds it by any title.
- 2.- “**Procurement Body**” is the Customer-end person or department that exercises the authority to procure (purchase or supply) Goods.
- 3.- “**Customer Manager**” is the person appointed by the Customer as the manager of the acquisition or supply of Goods and the contact person with the Supplier. Unless otherwise agreed by the Customer, the Customer Manager will be the head of the production unit or the Head of the Department acquiring the Goods. The Customer Manager shall ensure that the instructions regarding performance are always given through the Supplier Manager.
- 4.- “**Supplier**” is the natural person, legal entity, or public or private entity or organisation with whom the Customer procures the purchase or supply of Goods.
- 5.- “**Supplier Manager**” is the person appointed by the Supplier prior to undersigning the Contract as the manager of the sale and the contact person with the Customer. Should such a person not be mentioned in the Contract, the person signing the Contract on behalf of the Supplier shall be the Supplier Manager.
- 6.- “**the Goods**” are the goods, merchandise or rights that the Customer acquires in compliance with the Contract and shall be delivered in a professional manner by the Supplier.
- 7.- “**the Contract**” is the set of documents governing the obligatory relationships between the Customer and the Supplier, including, where applicable, the offer, the order, the Award Letter, the Special Conditions, the Acerinox Group's Social Responsibility Policies, the necessary technical documentation, as well as -in any case- the Customer's General Procurement Terms and Conditions.
- 8.- “**Request for Quotation**” is the set of documents issued by Acerinox with the necessary requirements, of any kind, for the Supplier to sell and deliver the Goods (inter alia, the special conditions documents, technical specifications documents, etc.).
- 9.- “**Bid**” is the documentation submitted by the interested parties (prospective Suppliers) to quote under the terms of the Request for Quotation.

10.- **“Award Letter”** is the document by which the Customer's willingness to engage with the Supplier is expressed and in which the terms and conditions governing the contractual relationship between the parties are set out, either directly or by reference.

11.- **“Order”** is the formal document issued by Acerinox and addressed to the Supplier in which the conditions for the acquisition and delivery of the Goods are stated.

12.- **“the Special Conditions”** are the specific conditions of the Contract entered into by the Customer and the Supplier.

13.- **“the General Terms and Conditions”** are the General Procurement Terms and Conditions of the Acerinox Group: Acquisition and Supply of Goods.

## **B. SCOPE**

These General Terms and Conditions establish the relationships between the Acerinox Group companies that have their registered office in Spain or have their registered office in a country for which there are no specific general terms and conditions ("The Customer") and the counterparty ("The Supplier") for the acquisition of goods or rights.

These General Terms and Conditions are the only terms and conditions under which the Customer contracts for the purchase of Goods and shall apply whenever there is a contract to which the Customer is a party, except where different terms and conditions are expressly agreed. However, unless expressly declared applicable, these General Terms and Conditions exclude from its scope of application contracts rendering a service, contracts for purchasing or erecting machinery, purchasing and other transactions on real estate, purchase of scrap, nickel, chrome, molybdenum, and other ferroalloys, contracts arranged exclusively among the Acerinox Group companies with no third-party intervention, and Contract through which the Acerinox Group sells assets or rights. If the purchase of Goods involves or requires the provision of an ancillary service, such purchases shall be governed by these General Terms and Conditions and, failing that, by the Customer's General Terms and Conditions on the Procurement of Services.

The General Terms and Conditions may be sent and/or referenced in the Request for Quotation. Before or at the time of submitting their Bid, the Supplier must state that they have been provided a copy and that they are aware of and accept them. These General Terms and Conditions may be viewed directly on the website [www.acerinox.com](http://www.acerinox.com). The Orders and, where applicable, the Award Letter, shall refer to these General Terms and Conditions, which shall be considered an integral part of the contract between the parties.

However, the fact that the Supplier submits its Bid, participates in a tender, confirms an order or begins the performance of the Contract or the delivery of the Goods is sufficient to confirm that it is aware of and fully accepts these General Terms and Conditions (it is presumed that the Supplier has accessed them in any way and/or via the contracting company's website or that of the Acerinox Group where these Terms and Conditions are permanently accessible, as well as, where applicable, on the Customer's online contracting portal). Any references to Supplier general or specific terms and conditions

(of sale or similar), which may be contained in such Supplier's documents, will not be binding for the Customer under any circumstances and these terms may not, under any circumstances, be regarded as being an integral part of the Contract, even in the event that the Customer had not expressly rejected such terms.

These General Terms and Conditions shall apply in respect of all terms and conditions that are not expressly regulated in the Special Conditions, Award Letter, Order or Request for Quotation. All these documents are complementary to each other in such a way that what is agreed in all of them constitutes the content of the binding relationship between the parties, which shall be construed by integrating all the documents that comprise it. However, in the event of contradiction between these documents, the following order of precedence shall apply: Award Letter, the Special Conditions, the Offer, the Technical Specifications, the General Terms and Conditions, the Request for Quotation and the Bid.

Lastly, any amendments made to these General Terms and Conditions for a specific Contract must be made in writing and signed by the Procurement Body and shall be valid only for that Contract, and shall not cover other Orders or Contracts.

### **C. GENERAL TERMS AND CONDITIONS APPLICABLE TO ALL ACQUISITION OR SUPPLY OF GOODS**

**1.- THE SUPPLIER.-** The Supplier undertakes to sell and deliver the Goods pursuant to the Contract and the applicable regulations. In any case, the sale transaction shall be carried out in a diligent, professional and careful manner, in accordance with the best practices in the sector, and taking into account the nature of the goods involved. Furthermore, the Supplier must comply with the Acerinox Group's internal regulations and practices that are applicable as a result of the requirements of the goods or their delivery to the agreed facilities.

The relationship between the Supplier and the Customer is of a commercial nature, and the Supplier warrants and commits the following to the Customer:

a) It has the capacity, experience and authority, in accordance with its internal corporate and/or partnership requirements, to enter into this Contract and to sell and deliver the Goods that are the subject of this Contract.

b) It complies and shall comply in the future with all provisions in force at any given time and applicable thereto, especially in the fields of Labour, Social Security, Equality and/or Taxation, as well as in relation to the Environment, Health and Safety and the Prevention of Occupational Risks. For these purposes, the Supplier shall be obliged to prove such compliance in the manner and within the time limits required by the Customer. Furthermore, and, where applicable, in relation to the delivery or assembly activities that may be carried out at the Customer's work centres and facilities, the Supplier must comply with those established in the Acerinox Group's internal regulations and practices.

c) The Goods shall conform to the descriptions and specifications set out in the Contract and shall be valid and fit for any purpose, express or implied, made known by the Customer to the Supplier.

(d) It shall employ at all times the highest standards of honesty, integrity and good faith in the performance of the Contract. Moreover, the Supplier shall not make statements regarding the Customer or its activity that are false, misleading or contrary to the instructions provided to the Supplier and, in any case, shall not carry out actions or communications that may damage the reputation of the Customer or its activity.

e) It shall provide adequate and timely information on the development and performance of the Contract, especially on any circumstance that may have a negative effect in terms of deadlines (delays), costs or any other circumstance that may be relevant for the correct execution of the commitment.

f) Indemnify and hold the Customer harmless from any damage, cost or loss, including legal expenses that it may suffer directly or indirectly arising from any inaccuracy, omission or lack of veracity in its representations and/or from the performance of the Contract and, in particular, from those related to the infringement of applicable regulations.

g) Perform regular reviews of its management to promote the process of continuous improvement. It shall also collaborate with the Customer in the quality and performance evaluation processes promoted or developed by the Customer, even after the end of the Contract.

**2.- SCOPE.-** The Supplier will deliver Goods in the quantity and quality established in the Contract, and also marked, labelled and packed as required therein, and if there is no express requirement, with that appropriate for that kind of product, pursuant to the applicable regulations and in accordance with the best *lex artis* applicable. All the necessary documentation for its maintenance, instructions for use and conservation shall be included, as well as a description of its technical and mechanical characteristics.

Every delivery will have attached the invoice or a delivery document containing the quantity, name of the product, order number or Contract, number of packages and other information stipulated in the Contract. In addition to the terms and conditions outlined in the Contract, the Customer's technical specifications for the Goods and the internal commercial terms and conditions concerning, inter alia, quality, quantity, transport and packaging, which the Supplier may request at any time from the Customer, shall apply to the Contract. These terms and specifications are included in these General Terms and Conditions by reference.

The weight of the Goods determined by the Supplier shall be valid, provided that a scale duly approved in accordance with European standards of recognised prestige or validity has been used. In case there are discrepancies with the weight, the parties will appoint a third party whose decision will be binding, assuming this cost the party whose weight was further away from that determined by the third party.

The Supplier shall inform the Customer of the risks likely to arise from to a foreseeable use of the Goods, taking into account their nature, characteristics, duration and the people to whom they are intended. The chemical products and all the Goods that contain substances classified as dangerous must be packed with the corresponding security guarantees, displaying clearly the appropriate indications advising about their risks.

The Goods shall be delivered with all their accessories and in perfect working order, including the necessary computer components and software. These programmes and software must be validly usable and transferable to the Customer for a period identical to that of the Goods of which they form an integral part.

The Supplier guarantees to the Customer that, where applicable, it always (i) manufactures and/or imports the products in accordance with REACH Regulation - Regulation (EC) No 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals, or regulations replacing and/or building upon it (ii) packages, labels and classifies the products in accordance with the CLP Regulation - Regulation (EC) No 1272/2008 on Classification, Labelling and Packaging of Substances and Mixtures and regulations replacing and/or building upon it. In addition, the Supplier shall provide the Customer with the Safety Data Sheet (SDS) for the Goods, which shall include the appropriate qualification and identification of the product covered by the Contract.

**3.- DELIVERY CONDITIONS.-** The Goods will be delivered according to the provisions in the Contract. If no place for delivery is indicated, delivery shall take place at the Customer's premises (DPU Incoterms 2020). If no other deadline has been stipulated, delivery shall be immediate. The Supplier may not carry out partial or early deliveries, unless there is a written authorisation from the Customer.

The Goods will be transported in accordance with the provisions of the Contract. Should the Supplier be responsible for the delivery, they shall ensure that it occurs in the best possible conditions regarding safety and swiftness.

The Supplier may not default on its obligations on the grounds of the Customer's insolvency.

**4.- CONVEYANCE.-** The conveyance of the goods will take place in accordance with the INCOTERM mentioned in the Contract, and in case this is not possible in accordance with the INCOTERM DPU (INCOTERMS 2020).

**5.- SUPPLIER'S MATERIAL RESOURCES.-** For the performance of the Contract, the Supplier must provide all tools, equipment, supplies, materials and, in general, all resources required for the performance thereof. To this end, the Supplier declares that it is owner of the materials, services, software, methodologies, manuals, applications and technological advantages used to fulfil the Contract, or it has the right to use, distribute or pass on these resources.

Pursuant to the technical specifications, the Supplier shall use the best goods, materials, standards and techniques available to ensure that the Goods and/or materials supplied and/or required under the Contract are suitable, new and free from defects.

The Supplier grants the Client a licence, which may be sub-licensed, that is free, non-exclusive, worldwide, irrevocable and unrestricted for use and amend the industrial and intellectual property and know-how related to the Goods that are subject of the Contract.

The Supplier guarantees the Customer that the Goods do not infringe, misappropriate or otherwise damage or interfere with any patent, copyright, trademark or trade register, utility model design right or other intellectual or industrial property or know-how of a third party located anywhere in the world. The Supplier agrees to fully release and hold harmless the Customer, its directors, employees, agents, distributors, resellers, customers or representatives regarding any claims, damages, losses, costs and expenses, including legal fees, arising from a breach of the warranty to which this clause refers.

In the event that any third party brings infringement proceedings against any Acerinox Group company in relation to the Goods, the Supplier shall cooperate in the defence, as required by Customer, albeit at the Supplier's expense. All expenses (including legal fees) and damages arising from this claim will be paid by Supplier.

The Customer shall not be responsible for the subtraction of or damages to material resources of the Supplier left at the Customer's facilities.

**6.- SUPPLIER'S HUMAN RESOURCES** - The Supplier will act as an independent businessman in the fulfilment of the Contract and is obliged to comply with all the provisions of labour, tax, social security and occupational health and safety legislation, as well as environmental legislation, and must make available to the Customer, when required, the documents that accredit the aforementioned.

The Supplier warrants and undertakes to observe fair employment practices and policies with the personnel involved in the manufacture, sale and delivery of the Goods. Furthermore, the Supplier undertakes to maintain and implement fair wage policies, with respect to the principle of equality between men and women, avoiding any type of discrimination in this area for any reason whatsoever. It also undertakes to use suitably trained, qualified and experienced personnel to perform the obligations undertaken and in sufficient numbers to ensure that these obligations are fulfilled in accordance with the terms of the Contract.

The Customers reserves the right to establish verification activities of the aforementioned regulations, policies and principles, which may require the participation of the Supplier. The Supplier shall also implement corrective actions as a result of the verification activities carried out by the Customer. To this end, the Supplier undertakes to provide the Client with the results of its audit reports (salary, gender, etc.) that it may have carried out to prove compliance with these regulations and principles.

The Supplier will appoint a Supplier Manager who must be someone with the necessary skills in view of the circumstances of the case, and who will be exclusively responsible for the following tasks:

- (i) Exercise command over the Supplier's employees involved in the delivery of the Goods and/or its Ancillary Services.
- (ii) Receive and confirm receipt of the Customer's communications and/or work orders, in addition to changes of the Client Manager.
- (iii) Receive any necessary instructions regarding the delivery and/or receipt of the Goods.  
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- (v) Communicate in writing to the Customer Manager, with the frequency indicated in each case, the evolution of the order and its delivery, as well as any problem, incident or update that may arise.
- (vi) Be fully contactable throughout the rendering of the Service.
- (vii) Any other duties that may be required for each specific case or that are expressly assigned thereto.

The Supplier shall be responsible for the payment of the salary (and other obligatory compensation) of the workers involved in the execution of the Contract, as well as the payment of the quotas and other Social Security resources and any other expenses that may be required by the applicable regulations. This payment must be made in the manner and within the period (voluntary period) established in the applicable legal and/or agreed regulations.

The Supplier declares that it is up to date with its salary, tax and social security obligations relating to its workers, and generally complies with the applicable legislation, exonerating the Customer from all responsibility in this connection. The Supplier directly endorses and guarantees its staff, and it will be jointly liable to the Customer for any damages or losses caused to the Customer in the execution of the Contract, indemnifying the Customer for all damages caused thereby.

The Supplier may only use - and must ensure that it does so - for the correct execution of the Contract, personnel who have all the necessary permits, authorisations and requirements, including, where applicable, training, licences and residence and work permits, as well as - in general - the necessary authorisations concerning foreign persons and/or immigration. For these purposes, the Customer may at any time during the course of the contract request accreditation of any of these requirements or circumstances.

The Supplier shall, at all times, be responsible for any failure in this connection, including, if necessary, for the repatriation of workers without the relevant permits to their place of origin or domicile (including in the event that such personnel belong to one of its subcontractors). It shall also indemnify the Customer for any public or private claims brought or directed against it on the basis of a breach of these obligations.

When the performance of the Contract so requires, the delivery or commissioning of the Goods shall take place at the Customer's facilities. Access to these, registration of entries and exits, security regime of the premises, timetables, etc., shall be subject to the "access

control regime" established for this purpose by the Customer, without prejudice to the Supplier's managerial power over its Personnel. For these purposes, the Supplier shall provide the data of its personnel necessary to facilitate access thereto, informing its personnel of this and obtaining their consent, in any case. The Supplier shall hold the Customer harmless from any liability arising from this lack of valid and informed consent.

**7.- TECHNICAL SPECIFICATIONS APPLICABLE TO THE GOODS OR ANCILLARY SERVICE REQUIRED** In addition to what is expressly set out in the Contract, the Customer's internal technical specifications and the commercial terms and conditions relating to, inter alia, quality, packaging, composition, operation or commissioning of the Goods, which the Supplier may request from the Customer at any time, shall also apply to the Contract. These terms and specifications are included in these General Terms and Conditions by reference. In any case, the delivery and associated services must be provided in accordance with the best applicable *lex artis*.

**8.- SAFETY AND OCCUPATIONAL RISK PREVENTION** - The Supplier must comply with all the provisions in force at any given time regarding the Occupational Risk Prevention for the proper execution of the Contract. The execution of the Contract shall include all the necessary measures that must be adopted or implemented concerning safety and/or risk prevention for the correct execution of the Contract, pursuant to the regulations in force and, where applicable, the indications made by the Customer.

In the event that there are ancillary services or operations at the Customer's facilities in relation to the Goods that are the object of the Contract, especially in the unloading or commissioning of the Goods, the Supplier shall appoint a duly trained safety officer, who shall ensure compliance with all the regulations in force regarding Occupational Risk Prevention and Occupational Health and Safety, as well as the additional requirements and regulations of an internal nature that the Customer has implemented in this connection at any given time at the Customer's work centres.

For these purposes, the Customer shall supervise compliance with the obligations provided for in the legislation in force and may require at any time that the Supplier provide documentary evidence of the adoption of these measures or requirements, as well as the current status thereof. For these purposes, the Supplier undertakes to meet and provide any documentation and explanations that may be required therefrom in this connection by the Customer. Furthermore, the Supplier shall collaborate diligently in this connection in any requirement or suggestion made by the Customer.

**9.- CUSTOMER'S MATERIAL RESOURCES.-** Any materials supplied by the Customer in relation to the Contract will be regarded as having been loaned for use by the Supplier, in compliance with the Contract. The Supplier must identify this material as being the property of the Customer in its books, guarding them with most care. In this respect, the Customer may request certification and/or documentation accrediting this circumstance. Furthermore, when these materials are not used in the performance of the Contract, they must be returned to the Customer, using the method indicated thereby and at the expense of the Supplier



It is the Supplier's responsibility, and it will be at its own expense, to maintain, conserve, handle and transport any equipment and material used for the execution of the Contract, including those provided by the Customer, until the effective return thereof, bearing, where applicable, the risk of loss or deterioration thereof. If necessary for the performance of the Contract, the Customer may provide electricity, gas, water or similar supplies. The Supplier undertakes to follow the instructions received from the Customer at all times in this connection, as well as to take all necessary measures regarding occupational risk prevention and health and safety. The Supplier shall use these supplies with complete due diligence, consuming them in a reasonable and justified manner. The amount or expenses corresponding to this consumption shall be borne by the Supplier, unless otherwise expressly agreed.

Furthermore, if necessary for the correct performance of the contract, at the Customer's sole discretion and/or decision, the Customer shall provide the Supplier with access to its computer systems, and, where applicable, an IP address, user name, temporary access password and other means necessary to access its computer systems with an adequate level of security. The Supplier may also be granted access to information originating from the Customer, which may include highly confidential information, personal data, strategic, financial and/or business information or operationally critical information.

In these cases, the Supplier shall take all necessary measures to ensure that the processing or storage of such data is carried out with the maximum guarantees, avoiding placing the Customer, by action or omission, in an irregular situation or in a situation of non-compliance with regulations. The Supplier shall be aware of the level of protection of this information and shall adopt the technical and organisational security measures appropriate to the specific case. To this end, the Supplier shall establish technical identification, authentication and access control mechanisms and procedures that prevent any access by unauthorised personnel.

In any case, the materials, documentation, information or processes supplied by the Customer to the Supplier may not be used for purposes other than those foreseen in the Contract.

**10.- LICENCES AND PERMITS** - It shall be the Supplier's responsibility to request and obtain all the permits, legalisations, authorisations, visas and licences required for the correct performance of the Contract until the Goods are received by the Customer in perfect conditions for use. In particular, the Goods must comply with the CE marking and REACH regulations, which must be evidenced by documentation at the Customer's request. However, the Customer shall actively collaborate in obtaining these licences or permits at the Supplier's request, subscribing, providing or issuing as many documents or certifications as may be necessary in this connection, to the extent that it is responsible for doing so.

In any event, the sums accrued as a consequence of such authorisations, visas or licences or as a consequence of the establishment of deposits or guarantees shall always be borne by the Supplier and shall be regarded as being included in the price of the Contract. The Supplier shall also be liable for any consequences arising from the absence of these licences, visas or permits.

Regarding imports and/or exports of goods or services, the authorisations or permits required by any governmental or public authority or entity, including Customs, and even private companies, shall be borne by the Supplier and their costs and expenses shall be understood to be included in the price of the Contract. Furthermore, the Supplier shall inform the Customer - in an appropriate manner - of any limitations or authorisations necessary for the subsequent re-export of the Goods, should it be required to do so.

**11.- INFORMATION SECURITY.-** All information stored or transmitted by the Acerinox Group, and for which individuals must be identified before having access thereto, is considered Protected Information.

A Supplier's access to the Acerinox Group's Protected Information will be governed by the principle of minimum privileges, that is to say, the Supplier will only have access to the information required for the correct performance of its functions or contractual obligations, without being able to access functionalities or information not necessary for those functions or obligations. This general principle shall also apply to the processing of Protected Information. Furthermore, in all cases, the Supplier shall ensure compliance with the security measures and conditions established in the Contract and/or special conditions, as well as those set out in this clause and in the regulations in force regarding the protection of personal data.

The Supplier shall avoid storing Acerinox Group Protected Information on portable devices or mobile devices. However, if this were necessary, the Supplier shall inform the Client beforehand so that the Supplier, where appropriate, establishes the controls that minimise or reduce the risk that this situation generates. In all cases, the Supplier undertakes to destroy the Acerinox Group's Protected Information from its systems or to return it, at the Customer's request and discretion, once the contractual relationship has ended.

Access to the Acerinox Group's Network, Systems and Cloud Service is prohibited unless it has been expressly authorised in the corresponding Contract. The Supplier shall be responsible for establishing the necessary technical and organisational controls to guarantee that its access to the Protected Information is carried out securely and by authorised personnel at all times, and must inform in a timely manner - where appropriate - of any withdrawals, additions or modifications to the personnel who have this access. Furthermore, the Supplier must guarantee that access to the Acerinox Group's Network, Systems and Cloud Services will be eliminated as soon as the need that gave rise thereto ends.

Furthermore, the Supplier undertakes to use only secure communications protocols, to use devices with updated anti-malware, to protect its devices with strong passwords or multi-factor authentication solutions, and to use devices with all their components updated: drivers, operating systems, applications, etc.

Any action or omission that jeopardises the confidentiality, integrity or availability of the Acerinox Group's protected information shall be considered a Protected Information Security Incident. In these cases, the Supplier must have a procedure in place for the

management of Protected Information Security Incidents and, where appropriate, inform the Acerinox Group immediately of all those of which it is aware and which could affect the Group. For this purpose, the Contract or the special conditions may establish a protocol or measures for communication or action in the event of a Protected Information Security Incident.

All the obligations included in this clause shall also be directly applicable, where appropriate, to any contractors or subcontractors that intervene in the contract and that have been authorised by the Customer, and Supplier shall be directly and jointly and severally liable with them for their breaches.

**12.- ENVIRONMENT** - The Supplier undertakes to comply with all the obligations corresponding thereto in application of the environmental legislation in force, as well as that which may be enacted or which may take effect in the future. In particular, the Supplier shall comply with environmental legislation relating to packaging, packing, labelling, handling, storage and transport of substances and/or materials, including waste that may be generated in the performance of the Contract. Where possible, the Supplier shall supply ecolabelled products or materials and shall reuse and recycle the waste generated by the products or materials supplied.

If necessary for the correct performance of the Contract, prior to the commencement of any activity at the Customer's facilities, the Customer shall provide the Supplier with the applicable internal environmental performance standards, and the Supplier must comply, and ensure that its personnel also comply, with these internal standards, as well as with any other applicable standards. Furthermore, the Customer may, at any time, request from the Supplier its own documentation, and that of its suppliers, accrediting compliance with international, EU, state, regional and local environmental legislation, all without prejudice to the Customer's right to control the Supplier's activities and means for the execution of the Contract.

The Supplier shall provide the Customer with a list of the chemical products, gases and miscellaneous material that, where applicable, are introduced into the Customer's facilities as a result of the execution of the Contract. The Supplier must also notify the Customer of the waste generated, indicating the type and the estimated annual quantity. Unless otherwise agreed in the Contract, the withdrawal and disposing in an authorised landfill of all the waste generated is the Supplier's responsibility as a result of executing the Contract.

Where possible, the Supplier shall supply ecolabelled products or materials and shall reuse and recycle the waste generated by the products or materials supplied. For these purposes, the special conditions may establish that the Supplier must accredit the origin of its electricity, as well as the existence of any certifications or accreditations in environmental matters. The special conditions may also include the Supplier's obligation to accredit its recycling process or any environmental circumstances, as well as the possibility for the Customer to access its facilities and documentation to accredit and verify the results or data provided in relation to the object of the contract.

The Supplier shall compensate the Customer for any loss or damage suffered as a result of the Supplier breaching the environmental legislation. Furthermore, the Supplier shall immediately take the necessary measures to prevent or mitigate any environmental impact, informing the Customer of the situation, the risks involved and the measures to be taken.

**13.- TRANSPORT, LOADING AND UNLOADING OF THE GOODS** - The Supplier shall be responsible for the manufacture or valid acquisition of the Goods, their packaging, the preliminary operations required for loading, loading itself, transport, preparation for unloading and unloading of the goods or products that are the object of the purchase or supply, unless expressly agreed otherwise. The Supplier undertakes to comply with all the provisions and regulations in the handling, loading, transport and unloading of the Goods that are the object of the contract, in accordance with the regulations in force and the best applicable *lex artis*.

The Supplier, under its responsibility, shall adequately prepare the goods or products for their transport, ensuring that they are correctly packed, lashed, stowed and/or loaded on the means of transport used, which shall be clean and suitable for such operations. The packages that make up each delivery must be correctly identified, coinciding with their description on the delivery note/transport document and marked on the outside with the destination of the goods and the corresponding order number, as well as indications for handling or precautions to be taken, where appropriate. If the Goods to be transported require tanks or containers due to their nature, the Supplier must ensure the conditions of pre-cleaning inside the tank or container, as well as the suitability of the means of transport for the required purposes.

All deliveries shall be accompanied by at least three delivery notes or transport documents (one for the Supplier, one for the carrier and one for the consignee). The delivery notes shall be numbered and shall indicate: (i) identification of the consignee; (ii) delivery address; (iii) Order or Contract reference; (iv) identification and contact details of the Supplier; (v) name, description, quantity and quality of the Goods. Lastly, if the Goods are considered waste, all state, regional and local regulations in this connection must be met, and these Goods must be accompanied by the corresponding documents legally required by all the States and regions through which these Goods are transported: Annex VII of Regulation 1013/2006 or regulations that replace or develop it, certificates of its composition and technical characteristics, the underlying waste management contract, prior communication or notification to the competent authorities, ADR requirements, etc. It will also be necessary -an essential requirement- to provide the certificate of origin of the material or Goods that are the object of the Contract.

All vehicles or means of transport must be correctly approved and authorised, with all authorisations and licences up to date and in the correct state (MOTs, speed meters, etc.). In addition, they must have the appropriate and sufficient driving licences and permits, the mandatory insurance required, mandatory personal protective equipment and the corresponding measures in place, where applicable, the ADR authorisations and certificates for the driver and the vehicle, and the transport documents for the Goods that are the object of the Contract. In any case, the carriers must transport the Goods in accordance with the regulations in force in the territory where the transportation takes

place, respecting the traffic and transport regulations (maximum weights or heights, appropriate packaging and lashings, rest regulations, regulations for special vehicles, etc.).

When unloading the Goods, the Supplier shall comply and ensure compliance with: (i) the regulations, schedules and requirements of the place of delivery/unloading centre; (ii) the risk prevention regulations applicable to unloading, depending on the Goods being transported. The Supplier shall be liable to the Customer for any damages or losses that may be caused in these operations, including the actions and/or omissions of the drivers or operators involved in these operations.

In any case, the Supplier, at the request of the Client, must provide documentary proof of any of the aforementioned obligations within three days of the request being made.

**14.- PRICE.-** The price will be established on the basis of unitary items agreed for a lump sum. The price shall be set in Euros, shall be fixed, final, and shall not be subject to any upward reviews unless otherwise agreed. The price shall include all costs necessary for the correct performance of the Contract, including any measures or costs relating to health and safety and/or prevention of occupational hazards, packaging, transport, delivery and, where appropriate, unloading, assembly and commissioning of the Goods.

The Supplier shall not be entitled to increase the Price as a result of an amendment of any regulations affecting the performance of its obligations under the Contract that come into force after the Contract has been entered into. In other words, the Supplier shall not be entitled to claim any financial compensation in the event that any official provision or collective agreement affecting the working conditions or the performance of the Service set out in the Contract is modified. Nor shall variations in exchange rates give rise to variations or revisions of the prices set out in the Contract.

The prices shall be broken down into (i) the price of the Goods; (ii) the price of the Services linked to or necessary for the delivery and commissioning of the Goods; and (ii) VAT and/or other applicable taxes.

**15.- TAXES.-** Taxes shall be paid by each party in accordance with applicable law. Any taxes to be paid by the Customer must be itemised separately, if applicable, on each and every invoice or credit note issued under the Contract.

The parties undertake to cooperate with each other to obtain the tax exemptions and benefits that may be applicable to the Contract.

**16.- INVOICING.-** The Supplier shall issue the invoices on delivery of the Goods covered by the Contract or, failing this, when appropriate in accordance with the Contract and in the manner established by the applicable regulations. The Invoices must include those codes and references indicated by the Customer.

In the event that the Customer so requests, it shall be the Customer itself that issues the invoice by means of the self-invoicing procedure, which must be accepted by the Supplier by means of signing the corresponding document.

The Invoicing of any concept that is not explicitly indicated in the Contract or that has not been authorised by the Customer shall not be accepted. An indispensable requirement for payment shall be the presentation by the Supplier of the corresponding invoice and the delivery to the Customer of the documents proving the delivery of the Goods and, where applicable, the provision or performance of the ancillary service in accordance with the provisions of the Contract.

**17.- PAYMENT OF PRICE.-** Unless otherwise agreed herein or established by the applicable law, the Customer will pay invoices at sixty (60) days from the date of reception of the Goods, with a bank transfer or bank confirmation of payment (confirming) - at the Customer's discretion - to the account stated in the Contract or the account stated in writing by the Supplier. It shall be an essential requirement for payment that the Supplier provides a certificate of ownership of the bank account in which, if applicable, payment is to be made. All expenses arising from the payment will borne by the Supplier.

Payment of the price by the Customer shall in no case be construed as an express or tacit acknowledgement of the Customer's conformity with the Contract. The Customer reserves any rights it may be entitled to for any missing items, losses, damages, defects, flaws or non-conformities concerning the Goods or associated services.

**18.- NON-PAYMENT.-** The amounts owed by the Customer which are not paid by the due date without just cause will accrue an annual rate of interest until payment of the principal at a rate of EURIBOR + 0.5%. These late-payment interests will serve as compensation to the Supplier for any damages or losses that may result from an unjustified non-payment by the Customer, and the Supplier shall not be entitled to any further claims for any other items. In any case, any overdue interest that may accrue on the amounts owed by the Customer shall not accrue new interest. This exclusion shall apply to interest accruing in accordance with this clause, any possible agreements between the parties or in accordance with the applicable regulations.

**19.- CONTRACT EXECUTION TIMES. AMENDMENTS.-** Execution times of the Supplier's obligations (particularly the delivery and/or commissioning) are set and constitute a material condition of this Contract, breach of which shall entitle the Customer to opt for compulsory performance of the Contract or its termination, in both cases with compensation for the losses and damages caused, without prejudice to any other penalties or liabilities applicable or resulting from the Contract.

In order to avoid delays, the Supplier shall notify the Customer in writing, in detail and sufficiently in advance, of its needs, including those regarding materials when these are to be provided by the Customer or its suppliers, with it being understood that no delay shall be justifiable due to a lack of material or services from the Customer.

Bringing forward the deadlines mentioned in the Contract requires the prior consent of the Customer. Furthermore, any modification or extension of the Contract must be made in writing jointly by both parties and be approved by the same Procurement Body that managed or approved the original or base Contract.

In the event that the delivery of the goods or products is rejected due to a justified reason, all costs and other consequences arising from the rejection shall be borne by the Supplier, unless expressly agreed otherwise. If thirty (30) days have elapsed since the goods or products have been rejected without them being withdrawn by the Supplier, the Client may take any decision, including their destruction, in relation to these goods or products. The Supplier shall rectify the delivery as soon as possible, under penalty of incurring delays and the liabilities set out in this Contract.

**20.- PENALTY FOR DELAYS IN THE EXECUTION OF THE CONTRACT.-**

Without prejudice to the right to terminate the Contract, its compulsory performance and compensation to the Customer, which are applicable at all times during the duration of the Contract, in the event of a delay attributable to the Supplier, the Supplier shall pay the Customer the penalty stipulated in the Special Conditions. If this has not been stipulated, the Supplier shall pay a penalty of 0.5% of the total net price of the Contract for each working day of delay in the delivery or the commissioning, up to a maximum of 10% of the total net price of the Contract; however, under no circumstances shall it be understood that this maximum penalty period must be reached in order for the Customer to exercise any right, including the termination of the Contract).

In order to establish the delay and the enforcement of the aforementioned penalties, the Customer does not need to send the Supplier any prior notification. The aforementioned penalties may be deducted by the Customer from any amount owed by the Customer to the Supplier. Payment of these penalties shall be made over and above any other compensation to which the Customer may be entitled as a result of the breach or compulsory performance of the Contract.

**21.- INFORMATION ON AND CONTROL OF THE EXECUTION OF THE CONTRACT.-**

The Supplier undertakes to inform the Customer as swiftly as possible, and in any case within no more than twenty-four hours, of any events which may have an impact on the execution of the Contract. For its part, the Customer reserves the right to control at any time the work and the manufacturing or quality control work carried out for the execution of the Contract, including at the Supplier's premises.

Furthermore, during the entire term of the Contract, the Customer may continuously monitor the fulfilment of the Supplier's obligations and compliance with the quality levels or technical requirements of the Goods that are the object of the Contract. The Customer reserves the right to carry out inspections of the materials and goods used in the execution of the Contract, as well as at the Supplier's facilities and/or those of its subcontractors. The Supplier shall inform the subcontractors of this in writing. The Contracts with subcontractors shall include the Customer's express right to carry out visits or audits to ensure or check any aspect related to the execution of the Contract.

**22.- SUPPLIER LIABILITY IN THE EXECUTION OF THE CONTRACT.-** The Supplier assumes liability for damage to persons and assets caused during or in connection with the execution of the Contract by the Supplier, its employees, agents, and subcontractors, and for damage caused by its vehicles, machinery, tools and materials, including pure pecuniary damages, as well as indirect and, where applicable, punitive and/or consequential damage. This also includes damages due to stoppage, loss of production or consequential damages.

Should the Supplier be a Spanish Joint Venture (UTE), or an entity without its own legal personality other than that of its members, the liability that may derive from the Contract shall be assumed jointly and severally by all these members. As a consequence of the foregoing, the Customer may take action indistinctly and individually against any of the natural persons or legal entities that make up the UTE or the entity without legal personality to demand the fulfilment of all the obligations derived from the Contract.

**23.- INTELLECTUAL PROPERTY.-** The Supplier guarantees the authorship and/or its legitimacy for the manufacture, acquisition, marketing, sale and delivery of the Goods covered by the Contract and all its accessories, in particular concerning intellectual and industrial property rights. In this respect, the Supplier guarantees that all the information, documents, inventions, designs, brands, works (texts, drawings, maps, graphs, reports, projects, demos, photographs, plans, videos, etc.), databases, computer programmes, software, utility models, which have been necessary or intervene - in any way - in the Goods that are the object of the Contract or in their correct functioning, have been legitimately created or acquired, with them being legitimately and validly authorised for use, transformation and transfer to the Customer.

If necessary for the use of the Goods, the Supplier shall assign, where applicable, to the Customer, on a global basis and for the maximum period of time legally established in each case, all the necessary Intellectual and Industrial Property Rights. The Customer may exercise all forms of exploitation in this connection, including the right of reproduction, distribution and communication to the public, in any media and in any form, as well as the right of transformation.

The Supplier shall hold the Customer harmless from all claims that may be raised by any third party with regard to the authorship, originality, ownership or use of the Goods or rights assigned through the Contract, and shall be liable for all actions or claims that may be raised. The Customer shall have the right to designate and appoint lawyers and solicitors to represent and defend them in lawsuits or administrative proceedings arising in this connection, and the Supplier shall pay all expenses, supplements and fees payable to these professionals.

With regard to the brands, distinctive signs, domain names, trade names, emblems, logos, or any distinctive sign of the Customer or its subsidiaries, the Supplier undertakes to make use of them exclusively for the purposes of fulfilling the Contract and for the duration thereof. Any further use of the aforementioned shall require, in any case, prior written consent from the Customer.



**24.- SUBCONTRACTING.-** Unless written authorisation is given by the Customer, the Supplier shall not subcontract totally or partially the execution of the Contract. Non-compliance with the aforementioned shall give rise to the imposition of penalties, which are established in the Contract.

Subcontractors shall be selected solely on the basis of objective criteria regarding technical solvency and quality in the Service to be performed. Any attempt to impose a contractor must be rejected and brought to the Customer's attention through the complaints channel available on the Customer's website. Failure to comply with this obligation shall be considered a serious breach of the Contract.

In any case, the companies with which the Supplier subcontracts must commit in writing to complying with all the obligations set out in the Contract, and the Supplier shall be jointly and severally liable to the Customer for any breaches that they may incur. Specifically, the Supplier authorises the Customer to enforce as if it were the Supplier itself, the guarantees pursuant to the Contract in the event of the subcontracted entities or individuals breaching any of the obligations.

The Supplier shall obtain from the subcontractors express waiver of taking direct action against the Customer pursuant to article 1597 of the Spanish Civil Code and/or similar or analogous regulations (direct action of subcontractors against the owner of the work in the event of non-payment by the contractor). In the event that any subcontractor makes a judicial or extrajudicial claim or announces its intention to do so by the aforementioned means of article 1597 of the Spanish Civil Code, the Customer shall be entitled to retain, against any amounts or guarantees in its possession and for whatever reason, the amounts necessary to cover the principal claimed plus any amounts prudently budgeted for expenses and costs. It may also use these retained amounts for the direct payment of the amounts claimed.

In any case, the Supplier shall be directly and primarily responsible for the performance of the works or services by the subcontractors. Likewise, the Supplier shall be directly liable to the Customer for the actions, errors and negligence of any of the subcontractors (including carriers), their agents and personnel, and shall hold the Customer harmless from any breach thereof, compensating the Customer for any damage caused thereby. All the obligations and responsibilities of the Supplier shall also be imposed thereby on the Subcontractors, and the Supplier must prove to the Customer, whenever it so requests, their acceptance and fulfilment, with the Supplier being fully and directly liable to the Customer for their fulfilment in all cases.

**25.- ASSIGNMENT.-** Assignment of the rights and obligations arising out of this Contract by the Supplier, including merely financial rights and obligations, will require the prior express consent in writing from the Customer. This may only be granted under the essential condition of the acknowledgement and acceptance by the assignee or the beneficiary of the pledge or the corresponding dispositive act that any and all personal defences and any other defences resulting from the Contract that may be opposable to the Supplier shall also be applicable thereto by the Customer. Furthermore, payment to the assignee shall only be made when there are no compensable debts of the Supplier, nor embargoes prior to the due date of the payments.

Without prejudice to the foregoing, the Supplier declares that it is aware and accepts that the Goods may be used or assigned, by any valid title, by the Customer to any companies that form part of its corporate Group, both now and in the future. In this regard, the Supplier accepts that any of these companies shall be entitled to the rights and actions granted to the Customer in the Contract. Furthermore, the Customer may assign to financial, factoring or banking entities the execution of the payment commitments (confirmation of payments) by virtue of this contract without requiring authorisation from or notification to the Supplier.

**26.- RECEIPT OF GOODS.-** The receipt of the Goods is the express action of Customer compliance with the qualities that are the purpose of the Contract. The Receipt of the Goods may only be carried out by the Procurement Body, which may delegate it to the Customer Manager, and may be partial, provisional or definitive.

Partial receipt is that which, with the periodicity determined in the Special Conditions, authorises payment of the provisions corresponding to a specific period or to certain units. Partial receipt does not entail a value judgement on the quality, attributes or quantity of the Goods, and is established solely at the Customer's discretion.

Provisional receipt is that which enables a final settlement of the Contract to be made and by which the Customer confirms the execution of the Contract. The Supplier shall bear the risk of loss of the Goods until this Provisional Receipt takes place. Provisional receipt does not entail an obligation to pay the full amount for the provisions or the return or cancellation of the guarantees until the period foreseen for this purpose has elapsed or the quantities and qualities of the Goods that are the object of the contract have been verified by the technical services.

Definitive receipt may only take place when the warranty periods foreseen in the Contract have elapsed, or when the periods in which actions of a public, private or labour nature may be exercised have elapsed, there is reasonable assurance that the Supplier is free from third party claims and the delivery of the Goods has been ascertained to be in apparent good condition. With the definitive receipt, the Supplier shall guarantee and certify the correct delivery of the Goods, to the subsequent satisfaction of the Client, in accordance with the conditions expressed in the Contract, applicable regulations and good professional practice. Once the Customer has signed the Definitive Receipt Certificate, the Supplier's responsibilities set out in the Contract will cease, except for hidden defects and/or eviction or for any other reasons documented in the aforementioned Certificate, as well as the commitments that, in accordance with the Contract, must remain in force after the Contract, such as, where applicable, those of a social and salary nature and/or those established in the guarantees set out in said Contract.

The existence of the provisional or definitive receipt does not imply - in any way whatsoever - the waiver by the Customer of the exercise of actions against the Supplier when, subsequent to this, facts or circumstances arise or become known from which economic or any other type of damages are caused to the Customer, especially those deriving from hidden defects or third party claims and, in addition to those already mentioned above or any others in accordance with the regulations in force.

In any case, upon delivery of the Goods, the person in charge shall be responsible for leaving the work area clean and in perfect order, taking special care to ensure that both the facilities and the accesses thereto have the correct safety conditions. All the elements used for the execution of the delivery and commissioning of the Goods shall be removed by the Supplier as soon as possible and, at the latest, within fifteen (15) days following its completion, restoring as much as possible the affected land and facilities to the state in which they were found prior to the commencement thereof.

**27.- WARRANTY.-** The Supplier expressly accepts that the Customer is a consumer, for the purposes of applying the consumer and user regulations to the Contract.

Irrespective of the aforementioned, the Supplier warrants that the Goods will be new, of the highest quality, suitable for the use for which they are intended, in accordance with the agreed requirements, and that they are free from any flaws or defects and from charges, levies and third party claims during the warranty period established in the Special Conditions. Furthermore, the Goods shall be delivered with all the accessories necessary for their operation, with the instruction and maintenance books and other documentation necessary for its unpacking, installation and correct operation.

In the absence of an express warranty period, such warranty will have a duration of twenty-four (24) months from the effective execution of the Service (provisional or definitive receipt), unless the applicable regulations establish a longer period, in which case the latter will be applied. Within the warranty period, the Supplier undertakes to remedy, at no cost to the Customer and immediately from the moment it is notified thereof, any defect in the Service concerning the agreed requirements, without the Customer having to resort to a voluntary jurisdiction procedure or to comply with any other formality, beyond the simple notification of the defect to the Supplier.

The warranty period shall be interrupted for the time spent on the respective repairs or replacements, which in turn shall be warranted, upon their completion, for the same period of time as the initial established warranty. In the event that the repair is not possible or to a satisfactory level, or will not be carried out within a reasonable period of time, all in the opinion of the Customer, the Customer shall have the option of: (i) terminating the Contract and consequent refund of the price; (ii) replacement Goods at the Supplier's expense; (iii) a reduction of the price proportional to the defects of the Goods.

In any of the aforementioned cases, the Supplier shall bear all the costs incurred and the Customer shall be entitled to compensation for the damages caused.

**28.- GUARANTEES OF COMPLIANCE WITH THE SUPPLIER'S OBLIGATIONS.-** To guarantee compliance by the Supplier with its contractual obligations in general, and specifically compliance with its obligations regarding the employees assigned to the execution of the Contract, the payment of Social Security contributions, or any other Social Security or tax resource, for the payment of which the Customer may be jointly or severally liable; the payment of penalties imposed on the Supplier by the Authorities as a consequence of infringements of labour or tax regulations for which the Customer may be jointly or severally liable, as well as those that may be

imposed on the Customer; in addition to liabilities which could arise for the Customer with joint or joint and several liability as a result of the Supplier's breach of the social labour or tax related obligations in a period preceding the date of the Contract, the Supplier, prior to executing the Contract and as a sine qua non requirement for the entering into thereof, must hand Customer with the joint and several (on first demand) and irrevocable bank guarantees, in the number and for the amount and duration indicated in the Special Conditions.

For these purposes, in view of the characteristics, circumstances and history of the Supplier (its accreditations in accordance with international quality standards or its authorisations to engage with the Public Authorities, for example), the Customer shall require the guarantees it deems appropriate. In this regard, the Procurement Body may agree to replace the aforementioned guarantees with a retention of the price by the Customer, of a similar amount and duration, in view of the special circumstances of the specific case.

For these purposes, the amount shall be reasonably determined by the Procurement Body, according to the specific circumstances of each case. In the absence of regulation in the form of Special Conditions, the amount of the guarantee shall be 20% of the annual contract amount, and will have a duration of up to two (2) years after conclusion of the Contract. In any case, the Procurement Body may, depending on the circumstances of the specific case, establish other amounts or different time frames.

The aforementioned bank guarantees will be on first demand, autonomous and joint and several, and will be issued for the Customer, expressly waiving the order, division and exclusion rights and any other exception which the Supplier or guarantor may be entitled to; in particular, they waive the right to ask the Customer to extinguish any of its rights or to take any action against the Supplier. Furthermore, they shall admit partial executions. Unless otherwise agreed, the aforementioned guarantees must be provided and sent to the Customer via bank swift transfer, to the address of the Bank or Financial Institution indicated by the Customer and, failing this, to the address of BBVA (BBVAESMM). However, if the guarantor bank is BBVA, the Supplier must send this notification to the address of Banco Sabadell (BSABESBB).

Payment of the amount claimed shall be made to the bank account indicated by the Customer within the five working days following the Customer's request, indicating that the Supplier has failed to fulfil its contractual obligations. The guarantor, which must be a financial institution of recognised prestige, and the text of the guarantee must be previously approved by the Customer. **Annex A** includes a model of the aforementioned.

In addition, the Customer may, at any time, withhold the cash sums, due and payable to the Supplier to cover any damage and any obligation for which the Customer may be declared jointly or jointly and severally liable generated by the Customer or its employees.

If the Customer has reasonable grounds to suspect that the Supplier will not be able to meet the obligations arising from the Contract, or from any other contract entered into with the Customer, the Customer may, at any time, suspend execution of the Contract,

unless the Supplier immediately provides the Customer with a bank guarantee or other guarantee acceptable to the Customer. The Customer shall immediately give notice of such suspension, giving the Supplier a reasonable period of time to deliver the guarantee.

**29.- COMPETITIVENESS.-** The Customer may at any time inform the Supplier in writing of certain offers from other suppliers in relation to the Goods that are the object of the Contract at a price that is lower than the price payable under the Contract. In these cases, the Customer and the Supplier shall meet to discuss the situation within thirty (30) days and, if as a result thereof, the Supplier agrees to offer new prices, and the Customer accepts such offer, the new prices shall apply as from the date of acceptance of the new offer by the Customer.

In the event that the Supplier does not agree to offer the new prices for reasonable and justified reasons, the contract shall continue on its previous terms and conditions. However, if the Supplier does not prove the existence of the aforementioned reasons, the customer shall be entitled to withdraw exclusivity from the Supplier, if applicable, in relation to other suppliers or, as the case may be, to unilaterally terminate the Contract with a notice period of ninety (90) calendar days, and the Supplier shall not be entitled to any compensation whatsoever.

**30.- NON-EXCLUSIVITY.-** Unless expressly agreed, the sale or supply of Goods shall not be provided by the Supplier on an exclusive basis. Furthermore, the Customer may contract, simultaneously or separately, with other Suppliers for the acquisition of these or similar Goods.

**31.- COST REDUCTION.-** All technical proposals from the Customers that aims to achieve a reduction in costs relating to the execution of the Contract must be studied by the Supplier. The Supplier shall provide the Customer with a detailed study of the estimated reduction with this proposal. The Customer shall be able to check all data provided by the Supplier. If it is agreed that the proposal is feasible and the Customer resolves to implement this proposal, the Supplier shall apply the full cost reduction achieved to the Customer, irrespective of any other price reduction Agreements.

If the cost reduction proposal is made by the Supplier and is accepted by Customer, the cost reduction obtained shall be applied fifty percent (50%) to each party unless the specific circumstances of the reduction made means that application of a different method is fairer. If there is a reduction in costs for the Supplier as a result of a reduction in material and/or human resources, this reduction will be applied in full to the Contract price.

A technical proposal shall be understood to be any variation in the materials and/or components that are integrated in the Goods, as well as any improvement in the process of elaboration, transport, delivery and commissioning thereof.

**32.- OFFSETTING.-** Any of the companies that make up or may make up the Acerinox Group may deduct or offset any sum owed to the Supplier by any of these companies against any sum owed by the Supplier to any of the foregoing.

**33.- INSURANCE.-** Without prejudice to the Supplier's liability under the Contract and without this clause limiting or affecting thereto in any way, the Supplier undertakes to contract, at its own expense, before the effective date of the Contract and to maintain in force throughout the validity thereof, the insurance policies indicated in the Special Conditions. In the absence of express indication, the Supplier shall maintain at its own expense the following insurances, which may never be less than those compulsory in accordance with the regulations in force:

1. Insurance covering the loss or damage that may be suffered by the materials and equipment involved in the execution of the Contract during the performance thereof, with any damage that may be suffered by these goods, equipment or materials being the full responsibility of the Supplier. This insurance shall include the goods and equipment leased or assigned to the Supplier by any title, for a limit of no less than their replacement value at new.
2. Civil Liability insurance that includes coverage for business civil liability, post-work civil liability, professional liability and operating liability at the Customer's facilities, for the entire duration of the Contract, as well as the damages that may be caused, by the Supplier or by its subcontractors, to persons or property of the Customer, and/or third parties, deriving from its actions in relation to the Contract. Coverage shall include cross civil liability, indirect and consequential damages, purely financial losses, as well as material, personal and economic damages.
3. Employer civil liability insurance for accidents to its own personnel and subcontractors, with a sub-limit per victim of no less than the amount stated in the Special Conditions and, failing this, the amount that the Customer may reasonably demand based on the specific circumstances of the execution of the Contract and/or the ancillary Service, if any.
4. Any other compulsory insurance, either by law or by Collective Bargaining Agreement, in particular, those relating to civil liability for vehicles and/or vessels, as well as personal life and accident insurance for all workers involved in the Service (own personnel and, where appropriate, those of the subcontractors), including those required under the laws of the State of origin of expatriate employees. In any event, all vehicles used for the performance of the work or service procured will have the relevant mandatory insurance policies.

All insurance policies described in the sections above must be taken out with insurance companies of recognised solvency, which are acceptable for the Customer, who should be named as an additional insured party. Moreover, the duration of the coverage will be established in the Special Conditions and, in the absence thereof, it will be extended to cover the entire agreement guarantee period. However, all the aforementioned insurances must cover possible claims arising from events occurring during the term of the Contract, and which are claimed within two (2) years following the termination thereof, unless expressly agreed otherwise in the Special Conditions or in the Order or Award Letter.

The coverage limits of the aforementioned insurance policies shall not be less than the sums indicated in the Special Conditions. In the absence of any regulation being included in the Special Conditions, the minimum amount applicable in the general and civil liability insurance policies shall be a one million euros (€1,000,000) limit per claim and a three hundred thousand euros (€300,000) sub-limit per victim.

All these policies will serve as primary policies and always in the first instance versus any other policies which may be applicable. The aforementioned insurance policies shall include a clause exonerating the Customer, its personnel, administrators and directors from liability and waiving the insurer's right of subrogation against them.

The Supplier shall deliver to the Customer, prior to the date of entry into force of the Contract, or, failing this, the date indicated in the Special Conditions, a certificate issued by the insurance company for each of the insurance indicated above, together with a copy of the respective policy. This certificate must state the period of validity, the cover taken out, the limits and, if applicable, sub-limits. Furthermore, the premium payments must be up-to-date.

The Supplier is obliged to inform the Customer during the execution of the Contract of any incident that affects the validity and conditions of the aforementioned insurance policies contracted, lending itself to collaborate with the Customer or with whomever the Customer may designate for the study and analysis thereof. In the event of a claim, any controversies surrounding the payment of compensation, whether based on the application of franchises, lack of coverage or any other reason, in relation to the insurance policies taken out by Supplier will be borne by the Supplier.

Under its sole responsibility, the Supplier shall require its subcontractors to maintain the same liability and insurance policies required by the Customer. However, this shall never exempt the Supplier from its full liability towards the Customer.

Without prejudice to the compulsory insurance policies referred to in previous sections, the Supplier may, at its own expense, take out the insurance policies it deems appropriate to cover the liabilities that may arise from the performance of the Contract. The Supplier may not use the policies that it has taken out as a pretext for evading an obligation of its responsibility, due to the application by its insurers of provisions of the policies that would render them void. Moreover, the limits of indemnity, excesses or limitations established in the aforementioned insurance policies will in no case act as limits to the liability of the Supplier, who will always be obliged to respond for the totality of the damages caused.

**34.- SUSPENSION OF CONTRACT.-** The Customer reserves the right to modify the schedule for execution of the Service or to suspend, in whole or in part, execution of the Contract at any time. The modification or suspension shall be effective from the date on which the Customer notifies the Supplier in writing, and the Supplier shall be obliged to temporarily suspend the execution of the Contract from the date on which it receives the aforementioned notification.

If the modification or suspension - total or partial - of the execution of the Contract is due to causes other than force majeure, strikes (own, sectoral or of contractors or subcontractors), lack of raw materials or spare parts (and/or, in both cases, substantial increases in their prices), lack or decrease in the Customer's production or Supplier's default or non-performance, the Supplier shall be entitled to request from the Customer the reimbursement of the real and duly accredited cost that is a direct consequence of this modification or suspension. Also in the latter aforementioned case, if the suspension or modification of the execution of the Contract exceeds a duration of two (2) months, the parties shall meet as soon as possible to examine the contractual consequences on the price, the deadlines and the subsequent resumption of the execution of the Contract.

The Customer must notify the Supplier in writing of the resumption of the execution of the Contract, and the Supplier shall not have the right to refuse the requested resumption.

Moreover, if there is a reduction - total or partial - in the Customer's production or activities as a result of strikes (own, sectoral or of contractors and/or subcontractors), a lack of raw materials or spare parts (and/or, in both cases, substantial increases in their prices), accidents, repairs or maintenance, claims, labour force adjustment plans (including temporary furloughs or redundancies), and/or any force majeure circumstances or causes, the Customer may suspend or stop all or part of its activity - temporarily and partially - in such a way that the Supplier must adjust the provision of its activity and the Service to the needs and actual activity of the Customer. In these cases, this suspension or stoppage of activity may not last longer than six months, with the prices and the Service being adjusted to the Customer's real activity and needs by mutual agreement in accordance with the best good faith required.

Once this period has been reached, if the need to reduce the Customer's activity continues for a percentage equal to or greater than 25% of the Service, this shall be just cause for termination of the contract - without accrual of indemnity rights - with both parties undertaking to negotiate, in accordance with the best good faith, an amicable solution regarding price, deadlines and an eventual subsequent resumption of the execution of the Contract. If this percentage is not reached, the Supplier shall continue to provide the Service until the end of the contract under the terms established by mutual agreement with the Customer, in accordance with its activity and/or real need.

**35.- FORCE MAJEURE.-** Without prejudice to the provisions of the previous clause, the parties shall not be liable for serious breaches due to force majeure. Breaches of contract caused by third parties shall not be considered as force majeure. When a force majeure event occurs, the affected party shall take the necessary measures to mitigate its effects and shall inform the other party, describing its effects and the initial actions taken. The time extension shall be equal to the duration of the impossibility caused by the event. In any case, during the situation of force majeure, the Customer may take the measures it deems appropriate to avoid the damages caused by the Supplier's inability to fulfil its obligations.

Once the actions to be taken have been agreed and if the situation of force majeure lasts for more than sixty (60) days after it has been reported, the parties may terminate the



Contract in whole or in part once all joint attempts by the Supplier and the Customer to resolve the problem have failed.

In any event, the Party claiming a force majeure event shall have the burden of proof.

**36.- SOCIAL RESPONSIBILITY AND SUSTAINABILITY POLICIES.-** The Supplier, in the execution of the Contract, undertakes to:

a) Implement and adhere to safe environmental practices in the manufacture and delivery of the Goods and/or execution of the Ancillary Services.

b) Implement and develop fair employment practices and policies concerning the personnel involved in the execution or performance of the Contract.

c) Respect and comply with internationally recognised human rights including, at least, the rights set out in the International Bill of Human Rights and the principles relating to fundamental rights set out in the International Labour Organisation Declaration.

d) Respect and comply with the following Acerinox Group General Policies, and their successive updates, which the Supplier declares to be aware of and which are also understood to form part of these General Terms and Conditions and which are available on the corporate website (<https://www.acerinox.com/en/gobierno-corporativo/General-Policies/>): (i) General Sustainability Policy; (ii) General Recruitment and Promotion Policy; (iii) General Health and Safety at Work Policy; (iv) General Sustainable Production and Marketing Policy; (v) General Equality, Diversity and Inclusion Policy; (vi) General Human Rights Policy; (vii) General Responsible Purchasing Policy; (viii), General Climate Change Policy; (ix) General Policy of Corporate Social Responsibility of Acerinox, S.A. and its Group of companies; and (x) Information Security Policy.

Moreover, the Supplier undertakes to comply with the Acerinox Group's Code of Conduct and Good Practices, which is also available on the aforementioned corporate website: <https://www.acerinox.com/en/gobierno-corporativo/Ethics-and-Transparency/>.

In addition, every Supplier undertakes to respect and comply with the Code of Conduct for Business Partners of the Acerinox Group, which is available on the website <https://www.acerinox.com/en/grupo-acerinox/sostenibilidad/>.

All these General Policies and Standards are mentioned in an indicative and non-limiting manner, and any others may be communicated and are also an integral part of the Contract. In any case, non-compliance with the contents of these General Policies and Standards by the Supplier may be grounds - depending on the seriousness of such non-compliance and its consequences, at the Customer's discretion - for fair termination of the contracts in force between both parties.

e) The Supplier shall respect the principles of the UN Global Compact initiative. These principles essentially concern the protection of human rights, minimum working conditions, environmental responsibility and the avoidance of corruption. More information on the Global Compact initiative can be found at [www.unglobalcompact.org](http://www.unglobalcompact.org).

In this respect, the Customer may, at any time during the contract term, request an express declaration from the Supplier in this connection.

The Supplier publicly and formally expresses its commitment to maintaining the values of transparency, honesty and trust, as well as the principles included in the aforementioned UN Global Compact initiative, in all its commercial activities and, specifically, with regards to this contract. The Supplier also expresses its utmost abhorrence and rejection of any type of corruption, and its firm commitment to preventing this type of conduct from occurring within its organisations and, especially, with regards to this contract. The Supplier declares that it works and fights against corruption in all its forms, including extortion or abetting the offence, bribery, conflicts of interest, influence peddling, counterfeiting of documents, money laundering, use of privileged information and fraud.

The Supplier expressly states that no payment, amount, commission, contribution, donation, arrangement, bribe or gift of any kind has been made, accepted, requested or offered, directly or indirectly, for the awarding, subscribing or executing of the Contract. For these purposes, no distinction is made between acts of corruption committed before any Public Authorities and acts of corruption committed in relations between private individuals.

Furthermore, the Supplier has not made any type of contribution to political parties, companies, organisations or individuals involved in political affairs, or those linked to the awarding, subscribing or executing of the Contract as a way of obtaining an advantage over other competitors or bidders. The Supplier also formally commits not to undertake or consent to in the future any of the aforementioned practices or actions, which are totally prohibited. Any individual or entity linked or related to the Supplier shall not offer, pay, pledge, authorise or receive, directly or indirectly, any quantities, bribes, incentives, payments or illicit proceeds, to which they would otherwise not be entitled and which are - in any way - intended for personal, family or business gain as a result of their business activity and/or in connection with this contract.

All the aforementioned declarations and disclosures are applicable to both the Supplier and all its personnel, as well as, where appropriate, all the ensuing subcontractors and, in all cases, its board members and any related individuals.

The Customer reserves the right to establish verification activities of the aforementioned statements and declarations, of the aforementioned Code and of the aforementioned General Policies of the Customer that require the participation of the Supplier. The Supplier undertakes to participate diligently in these activities and to implement the corrective actions requested by the Customer as a result of the verification activities.

The Supplier undertakes to inform the Customer of any situation in which non-compliance with the aforementioned principles is verified, as well as the plan to remedy the situation that has arisen. If remedial plans are not adopted, the Customer reserves the right to cancel this contract. When the Supplier must subcontract in order to carry out and/or execute the supply entrusted by the Customer, it must establish the aforementioned principles in the contracting terms and conditions applicable to the subcontractor.

The Supplier shall at all times during the term of the contract allow the Customer to review and verify the degree of compliance with the principles set out in this clause.

**37.- CONFLICT OF INTERESTS.-** The Supplier shall pay special care and diligence to avoid any situation that could result in any conflict with the interests of the Customer. This obligation shall apply especially in its direct and indirect relationships with the Customer's employees, managers and directors, as well as their relatives. Among other activities, the Supplier shall endeavour to prevent its employees and agents from making, receiving or offering gifts, loans, payments of any kind, excessive hospitality, or any activity that may influence an action contrary to the best interests of the Customer.

The Supplier must inform the Customer of its status as a significant shareholder, where applicable, understanding as such those shareholders who have an ownership interest in Acerinox, S.A., or in its subsidiaries, equal to or greater than that which is legally considered significant at any given time and/or who are represented on the Board of Directors. Moreover, the Supplier will inform the Customer of the existence of any conflicts or disputes therewith or with its subsidiaries, as well as of any circumstance that could give rise to a conflict of interest with any company in the Customer's group.

**38.- CONFIDENTIALITY AND PROTECTION OF PERSONAL DATA-** Confidential information is considered to be all information of a technical, financial, commercial or any other nature provided by the parties as a result of the Contract or for completion thereof, as well as any personal data, documentation and/or information stored by either party to which the other party has access during the term of the Contract. Furthermore, the Supplier shall not use the name of the Customer, nor shall it disseminate the existence of the Contract unless the Customer provides written authorisation.

The personal data of the parties' employees and other data for which the parties are considered data controllers shall also be considered confidential information. The parties shall comply with the data protection regulations in force regarding this data.

However, information which is public knowledge, or which may be available to the public without breaching current legislation or these terms, as well as information that one party communicates or delivers to the other party expressly stating that it is not subject to the obligations contained in this clause, shall not be considered Confidential Information.

Each party is committed indefinitely to maintaining strict confidentiality and secrecy for the Confidential Information, and undertakes not to disclose or publish this information, or make it available in any other way to third parties, either directly or indirectly, without prior written authorisation from the other party. Specifically, the parties undertake the following regarding the Confidential Information:

- (i) To process Confidential Information only in accordance with the instructions of the data subject, undertaking not to apply it or use it for a purpose other than that included in the Contract.
- (ii) Not to disclose Confidential Information to third parties without the express written consent of the data subject.

- (iii) Not to copy, modify or alter the Confidential Information, nor establish connections or associations thereof with computer or telematic systems.
- (iv) To keep only and exclusively the Confidential Information necessary and essential for the execution of the Contract, and upon its termination, to destroy it or return it to the data subject, as indicated by the latter, together with any support or documents on which it is contained.
- (v) To safeguard the Confidential Information in its possession in a secure environment, applying the means, methods and tools necessary for its protection and with the same means or systems as its own confidential information.

Each party will adopt the necessary measures so that all personnel, directly or indirectly related to the execution of the Contract, adhere strictly to this duty of confidentiality, and each party will be directly responsible for any non-compliance. Moreover, the Supplier is strictly prohibited - in any way - from providing the Customer with any type of confidential or classified information belonging to or originating from its customers or third party individuals not covered by this contract. The communication of information or knowledge of a technical or financial nature belonging to competitors of the Customer is especially prohibited.

The Supplier shall comply with the personal data protection regulations applicable to this Contract, and must sign the necessary documentation in the event of processing data on behalf of the Customer. In the event of data processing not being necessary for the purpose of the Contract, the Supplier agrees not to access the personal data processed by the Customer.

The applicable data protection regulations establish the Customer's obligation to provide information to any supplier on the type of personal data processing that is carried out on their personal data. For this purpose, the information in **Annex B** of these General Terms and Conditions is provided in this connection.

**39.- COMMERCIAL SANCTIONS OR RESTRICTIONS.-** The Supplier declares and warrants that neither it nor any of its subsidiaries, and to the best of its knowledge, any of its employees, directors, agents or any person acting on its behalf and/or representation are currently, or can reasonably be expected to be in the future, subject to any Sanction or restriction under the regulations applicable thereto, as well as those applicable to the subject matter of this contract and/or to the Customer.

Furthermore, if the Supplier is a legal entity, it also declares and warrants that none of its partners, direct or indirect, or the people exercising control over them, are subject to any Sanctions or restrictions in accordance with the regulations applicable thereto, as well as those applicable to the subject matter of the contract and/or to the Customer.

In particular, the Supplier declares that neither it nor the aforementioned people, nor the subject matter of this contract, are affected by sanctions or trade restrictions issued by the authorities of the United States of America, including those imposed or published by the Office of Foreign Assets Control of the US Department of the Treasury or similar or analogous US agencies, nor by any Sanctions or similar equivalent decisions applied by (i) the European Union, or (ii) the United Nations Security Council. The Customer also

warrants that neither its registered office nor its place of effective control is located, organised or resident in a country or territory that is subject to such sanctions or embargoes, if this would imply a breach of the applicable sanctions regulations. The Supplier also declares and warrants that the Goods and/or services covered by this Agreement are not subject to sanctions, embargoes or trade restrictions.

Similarly, all payments in connection with this Contract shall be made through reputable banks and financial institutions that are not subject to or affected by embargoes, restrictions or penalties applied or imposed by the public authorities of the aforementioned States, or be affected thereby.

To this end, for the purposes of this clause, a Sanction is understood to be any restrictive measure, prohibition or embargo of a commercial (including import and export control), economic and/or financial nature issued or administered by a competent authority or the authorities indicated above.

In the event that any such Sanction is imposed on the Supplier or any of its Related Persons, or on the Goods covered by the Contract: (i) the Supplier shall inform the Customer immediately; (ii) the Customer shall have the right to unilaterally terminate the Contract without liability or penalty; and (iii) the Supplier shall defend, indemnify, exclude from liability and hold harmless the Customer from all costs, damages, losses, liabilities, expenses, judgements, fines, settlements and any other amounts of any nature, including reasonable lawyer fees, arising out of or related to the Supplier or any of its Related Persons or the Goods subject to any sanction, international embargo or trade restriction.

In the event that during the Contract period any of the banking or financial institutions involved are affected by embargoes, restrictions or sanctions, the affected party shall designate a new entity not affected by such sanctions or trade restrictions. In the event of default or delay in the performance of the aforementioned obligation, the counterparty shall have the right to withhold such payments, without incurring any penalty or default for this reason. In any event, the party affected by the sanctions shall not be entitled to any compensation or indemnity for any delays in payments that may occur as a result of the restrictions or sanctions imposed.

#### **40.- VERIFICATION OF THE STATEMENTS, OBLIGATIONS AND TERMS AND CONDITIONS SET OUT IN THIS DOCUMENT - COMPLAINTS LINE.**

The Supplier undertakes at all times during the contract period and for 12 months thereafter to be subject to the Customer's right to information. To this end, the Customer shall be entitled to carry out any checks and/or audits, either by itself or through third parties, regarding the terms and conditions set out in the contract and/or in these general terms and conditions. The Customer shall notify the Supplier of the progress of such control work by means of a written notice at least fifteen (15) calendar days prior to its commencement, and the Supplier shall provide access and means to the control teams at its facilities, as well as any documentation related or linked to the contractual relationship that may be required by the control team.

In the event of the existence of subcontracting that is linked to the Customer or to the object of the contract, the right of the Customer's control team to carry out the necessary control or audit work pursuant to this clause must be included.

Moreover, any Suppliers that have more than one hundred (100) employees shall establish a specific line - of a confidential nature - for complaints regarding breaches of this contract and/or its general terms and conditions, in matters related to the human resources linked to the execution of the contract, of any rules or policies of the Customer or in matters of Human Rights. The Supplier shall guarantee that the use of this complaint line shall not entail or imply any negative consequences for the complainant and that the complaints received shall be duly analysed and managed until they are finalised.

**41.- BREACH OF OBLIGATIONS.-** Unless otherwise specified herein, breaches of the primary obligations by one of the parties shall entitle the other party to opt for compulsory performance or to serve notice of termination of the Contract, and in both cases there will be compensation for any damages caused.

Breach of a primary obligation entitles the non-breaching party to opt for compulsory performance with compensation for any damages caused, or simply for such compensation. By way of example, the following are considered to be principal obligations: those relating to serious inaccuracies in the information provided by the Supplier both in relation to its business organisation and in the statements and/or warrants made in accordance with the contract, breaches of legislation on sanctions or trade restrictions, lack of capacity to execute the object of the contract, breach of the Supplier's obligations relating to quality and quantity and, in general, with the warranty of the Goods; non-compliance with the terms and conditions and delivery dates or completion of the object of the contract; breach of the delivery of documentation or refusal of the control actions to be carried out by the Customer; breach of the labour and Social Security obligations of the Supplier with regard to its workers and, especially, those included in Section D of these general terms and conditions; breach or lack of accreditation of licences, permits and environmental-related obligations; breach of subcontracting-related obligations; breaches of guarantees and insurance required by this contract; breach of obligations concerning confidentiality, data protection and those imposed by the sustainability Policies and Regulations; as well as breach of the provisions on the assignment of the rights of the contract.

**42. COMMUNICATIONS AND LANGUAGE.-** Any notifications that must or may be sent hereunder, must be sent in writing by any means that provides evidence of the date, content and receipt by the recipient, addressed to the contact persons or Department and to the places indicated in the Contract or notified by the parties.

Communications and other Contract documents will be drafted in the language of the Contract with the exception of documents expressly excluded following a mutual agreement reached by the parties.

**43. WAIVER.-** The waiver, whether express or alleged of any of the parties, at a given time, to any of the rights set forth in the Contract will not give rise to a waiver of the right to exercise that same right at another time or to exercise any of the other rights set forth in the Contract.

Failure of either Party to file any claims against the infringement or breach of the Contract by the other party will not give rise, under any circumstances, to a waiver to any action or to any other right to which it may be entitled in accordance with the clauses of this Contract.

**44.- NULLITY AND INTERPRETATION.-** If any of the clauses and/or conditions of the Contract was null and void or voidable, this declaration shall not invalidate the rest of the Contract, which shall remain in force and effective. In place of the void clause, a valid clause shall be deemed to have been agreed, with the financial terms thereof being as close as possible to the clause intended by the parties.

The headings and titles of these General Terms and Conditions are for ease of reference only and shall have no effect on the interpretation of the provisions contained therein.

**45.- APPLICABLE LAW.-** The Contract will be governed by the legislation corresponding to the registered address stated for the Customer in the Contract.

**46.- JURISDICTION.-** For the resolution of possible disputes arising from the interpretation and execution of the Contract, both parties agree to submit to the Courts and Tribunals of the address indicated for the Customer in the Contract, expressly waiving any other jurisdiction that may correspond thereto for any circumstance or reason.

**D. GENERAL TERMS AND CONDITIONS ALSO APPLICABLE TO ANY PROVISION OF SERVICES WHICH REQUIRE THE MOVEMENT OF PERSONNEL TO THE CUSTOMER'S PREMISES OR WHICH MAY BE CONSIDERED AS CONTRACTORS UNDER SPANISH EMPLOYMENT LAWS**

**1. PROOF OF COMPLIANCE WITH SOCIAL SECURITY AND TAXATION OBLIGATIONS.-** At the time the bid is submitted, the Supplier must attach the following documents:

1. Registration of the Supplier for Business Taxes or equivalent taxes and, in the event of payment of an annual levy, proof of payment of the deposit of this amount.
2. Overdraft clearance certificate issued by the Spanish General Social Security Treasury (for the purposes of Article 42 of the Statute of Workers' Rights), or by an equivalent body or institution.

3. Certificate issued by the Spanish Tax Agency or an equivalent body or institution confirming that the Supplier is up to date with its tax obligations (for the purposes of Article 43 of Law 58/2003 on General Tax).

During the term of the Contract, in order for the Customer to pay the invoices to the Supplier, the Supplier must attest that it is up to date with its tax, salary and Social Security obligations with regard to the personnel assigned to the Service, which it shall attest by means of the monthly provision of the documents and by being in the circumstances listed below:

1. A copy of the Spanish Social Security contribution documents (TC1 and TC2), duly signed by the bank in which the payment was made for the last month paid, that is, for the month preceding the month in which the documents are handed over. The Supplier must also provide a certificate issued by the bank, which attests that payment of the monthly Social Security payments have been definitively debited, without cancellation, and duly transferred to the General Social Security Treasury, pursuant to the model (Annex C). Furthermore, an overdraft clearance certificate issued by the General Social Security Treasury will also be provided, for the purposes of Article 42 of the Statute of Workers' Rights.
2. A copy of bank documents attesting the payment of the salaries of the staff assigned to the Service.
3. The Certificate issued by the Spanish Tax Agency or the equivalent body or institution (for the purposes of Article 43 of Law 58/2003 on General Tax) must be in force and the Supplier will send a copy of this Certificate every year.
4. That the Customer has not found incorrect social security contributions and/or settlements of its salary obligations.

In the event that the Supplier does not provide attestation to the Customer of fulfilment of the aforementioned tax and/or social-labour obligations, and/or the Customer has detected an incorrect contribution and/or fulfilment of its salary or tax obligations by the Supplier, the Customer may withhold the amounts due until the aforementioned is presented and, in the event that the salaries, taxes, withholdings and/or Social Security contributions are not paid, make a payment on the Supplier's behalf, with charge to the amounts withheld and/or obtained from the execution of the contractual guarantees.

At any time during the term of the Contract, the Supplier shall undertake to provide, in addition to the documents mentioned in the previous sections, any other documents related to the Contract and, especially those that may affect the obligations with third parties, the Tax Agency, Social Security, Payrolls, etc., guaranteeing at all times the confidentiality of personal and other data under the terms established in the legislation in force.

In the event of deferral of tax or Social Security debts, the Customer must be provided with detailed information on their origin and situation and expressly approve it prior to signing the Contract. If the deferral occurs after the start of the Service, the Supplier must



immediately inform the Customer of this circumstance, with this being grounds for termination of the contract. However, the Customer may authorise the continuation of the Service by taking the preventive measures that it deems most appropriate.

On termination of the Contract for any reason whatsoever, the Supplier must provide the Customer with the following documents:

1. A list of the personnel assigned to the Service together with the receipt of payment from the operators of the amount of the final settlements of salary and extra-salary obligations. These documents must be provided by the Supplier to the Customer within a period not exceeding ten (10) working days from the date of termination of the Contract.
2. A photocopy of the contribution documents (TC1 and TC2) stamped by the bank in which payment was made for the last month of the contract; a bank certificate attesting its payment (Appendix C); and a debts clearance certificate issued by the General Social Security Treasury or equivalent body or institution (for the purposes of Article 42 of the Statute of Workers' Rights).

These documents must be provided to the Customer within a maximum period of thirty (30) calendar days from the date of termination of the Contract, and the Certificate from the General Treasury of the Social Security four (4) months after the termination of the Contract.

**2. INFORMATION OBLIGATION OF THE SUPPLIER.-** Prior to the execution of the Contract, the Supplier will inform the employees set to render services as part of the execution of this Contract, of the identity of the Customer (registered name, address and Tax ID number). The Supplier will additionally inform the legal representatives of its workers of the purpose and duration of the Contract, the place of execution, the number of employees assigned, and, when applicable, of the measures planned for the organisation of activities relating to the prevention of occupational hazards.

The Supplier will provide the Customer with a list of the employees who will be rendering services as part of the execution of the Contract, stating each employee's name, ID, professional category, qualification, length of service at the Supplier's company, type of contract linking the employee to the Supplier, annual salary, and an express statement from the Supplier declaring that it is up-to-date with salary obligations and Social Security payments in relation to these employees. Any amendment of this list must be sent in writing to the Customer (Customer Manager) at least two (2) days prior to the entry into effect of such list. In the case of subcontracting, the Supplier shall submit a signed declaration certifying that, to the best of its knowledge and belief, its subcontracting companies are up to date with their salary, Social Security and Occupational Risk Prevention obligations.

Subsequent staff-related amendments must be reported to the Customer Manager at least two (2) days prior to the moment in which the employee is set to be replaced. The inclusion of new employees will require the aforementioned details thereof to be filled out. Any amendments to the number of Supplier employees or any replacement of one

employee for another must be expressly approved by the Customer Manager. Furthermore, the Supplier shall provide the Customer with a copy of the legally required notifications submitted to the labour authorities (notification of the opening of the workplace).

**3. OCCUPATIONAL RISK PREVENTION.-** The Supplier will strictly comply with, and also ensure that its personnel strictly comply with, the general risk prevention regulations; its own specific regulations; the general and specific regulations developed by the Customer for its workplaces; and those arising from the coordination of prevention activities, which shall also take into account those of the other employers that concur in the same workplace.

Before starting the work, the Supplier shall contact the Customer's Prevention Service so that the Customer may provide sufficient information in writing on the risks inherent to the workplace where the Service is to be provided and which may affect the Supplier's activities, and so that, where appropriate, it may give the necessary instructions for the prevention of the risks existing in the workplace that may affect its personnel and the measures to be adopted when an emergency situation arises. In any case, Supplier shall designate a Safety Manager for the works at the Customer's workplace, who - where appropriate - shall assume the functions of Preventive Resource duties.

The Supplier shall take this information into consideration in the assessment of the risks of its own activities and in the planning of its preventive activities and shall comply with the instructions and orders of the Customer with regard to the prevention of occupational risks. Prior to the commencement of the Service, the Supplier shall provide the Customer, and the other companies that carry on activities in the facilities where the Service is to be provided, with sufficient information in writing on the specific risks of the activities to be carried on, and which may affect them, and they will be particularly informed of the risks that may be exacerbated or modified by the concurrence of activities in the same workplace. The Supplier shall also propose the coordination measures that, in the Supplier's opinion, are necessary to enforce the correct execution of the Service.

After receiving the aforementioned information and proposals, the Customer shall provide- where appropriate - the Supplier with the necessary instructions for the prevention of the risks existing in the workplace and in relation to the coordination measures that it considers necessary, as well as information on the measures to be applied in the event of an emergency.

Nevertheless, the Supplier shall provide the Customer with documentation accrediting compliance with its legal obligations concerning the occupational health and safety of the workers involved in the Service (risk assessment and preventive measures, information and training in prevention, skills training, medical capability, provision of protective equipment and safety material), and concerning the means for coordination established, equipment, industrial vehicles and means of work used. It shall also notify the Customer of significant health and safety incidents, accidents at work and the monthly accident reports requested by the Customer.

Furthermore, during the execution of the Contract the Supplier undertakes to provide truthful information on accident rates, as well as to reduce the annual rate of occupational accidents affecting the personnel providing the service at the Customer's facilities. In the event of failure to comply with the annual reduction foreseen in the Special Conditions, the Customer shall apply the penalty pursuant to the terms established therein.

The Customer shall not be liable for the theft or material or personal damage suffered by the Supplier or the workers assigned to the execution of the Contract at the Customer's facilities, except in the case of gross negligence or malice.

**4.- PENALTIES.-** In addition to the specific penalties set forth in the Special Conditions, the Supplier accepts, if it occasionally ceased to provide the service without definitively abandoning the service, that the Customer shall discount for each day and in proportion to the time where no work is carried on, a sum amounting to 3.5% of the monthly invoicing, and the Customer also reserves the right to discount, when applicable, any damages caused.

## ANNEX A

### Bank guarantee model

(to be issued and sent via bank swift to the Beneficiary)

**Guarantee No.:**

**Date:**

**Sender:** *(Name and address of the Supplier)*

**Beneficiary:** *(Name and address of the Customer)*

**Guarantor:** *(Name and address of the bank guarantor)*

**Total amount guaranteed:** *(Amount)*

**Expiry date:** *(up to one year after the end of the contract)*

(Bank or Savings Bank) ....., with address for notification and demand purposes at [street].....in [town/city]..... [post/zip code]....., and for and on behalf of such company Mr/Ms ....., with ID Number ..... and Mr/Ms ....., with ID Number ....., with due powers of attorney to grant this document according to the powers granted before the Notaries Mr/Ms ..... dated ....., with record number/s ....., allowing them to enter into this Contract in these proceedings.

We have been informed that ..... *(name of the Supplier)* (“the Sender”) has entered into an agreement with ..... *(name of Customer)*, (“the Beneficiary”) contract no. .... / ....., dated ..... for work relating to ..... It is our understanding that in compliance with the provisions of the aforementioned contract, it is necessary to provide this first demand guarantee amounting to € ....., as a guarantee to fulfil the obligations set forth therein.

Accordingly, we hereby undertake jointly and severally with the sender, unconditionally and irrevocably to pay to the beneficiary, on their first demand, any amount up to a maximum of €....., and to pay this amount into the bank account designated by the beneficiary, within five working days of receipt of the beneficiary's first written demand stating that the sender has failed to comply with its contractual obligations.

This claim for payment to the Guarantor may be made via a swift sent by a bank of recognised prestige in Spain, indicating that it has received a letter from the

Beneficiary, signed by a person with sufficient powers to do so, indicating that the Sender has failed to fulfil its obligations under the aforementioned contract.

This guarantee shall enter into force on the day of its issue and shall remain in force until ....., when it shall expire and cease to be valid.

This guarantee may be partially executed up to the maximum amount guaranteed and shall remain in force for the remaining amount.

The guarantor expressly waives the benefits of excussion, order and division [set forth in the Spanish Civil Code], any other right that it may be entitled to in relation to challenging the payment of this guarantee versus the beneficiary, and to ask the beneficiary to exhaust any of its rights or to bring any legal actions against the Sender.

The Courts and Tribunals of ..... shall have sole jurisdiction to hear any dispute relating to the interpretation and application of this guarantee. The common Spanish Law shall exclusively govern any matter related to this guarantee, especially regarding its validity and/or execution.

## ANNEX B

### INFORMATION TO SIGNATORIES AND CONTACT PERSONS OF SUPPLIERS ON THE PROTECTION OF THEIR PERSONAL DATA

At the Acerinox Group, we have a firm commitment to comply with regulations and, in this respect, with EU data protection legislation. According to this regulation, the processing of the personal data of our Suppliers' contact persons and of the signatories of the contracts entered into therewith does not require the consent of the data subject, but we do have to inform them of how we process their personal data.

The Supplier shall provide this information to all persons in its organisation who have a relationship with ACERINOX in the execution of this contract.

#### **a) Personal data controller**

The data controller of the contact details of the signatories, as well as those of the contact persons, will be the respective Acerinox Group company with which the contractual relationship is established. Details of all the Group's companies are available on the website [www.acerinox.com](http://www.acerinox.com).

Acerinox, S.A., the Parent of the Group, has appointed a Data Protection Officer for the Group, to whom you may raise any questions concerning the processing of personal data, and whose contact details are as follows:

Calle Santiago de Compostela, 100 (28035) Madrid, Spain.

E-mail: [dpo@acerinox.com](mailto:dpo@acerinox.com)

Tel.: +34 91 398 51 05

#### **b) Purpose of the processing and storage of personal data**

The identifying personal data and contact data provided, both of the signatories and of the contact persons, as well as any other personal data provided in the future, will be processed for the purpose of allowing the correct maintenance, development and control of the contractual relationship, and for the defence of the rights and legitimate interests of the data controller. The data shall be retained by the data controller for the duration of the contractual relationship and, once the contractual relationship has expired, until the prescription period expires.

#### **c) Legal grounds for the processing of personal data**

The legal grounds for the processing of personal data is the performance of the corresponding contract and the legitimate interest of the data controller. In this way legal representatives and contact persons, if this is necessary for the normal course of rendering the service, must provide their identifying personal data and contact data. If this data is not provided, the execution and/or performance of the corresponding contract will not be possible.

#### **d) Recipients of the personal data**

The personal details may be transferred to Public Authorities and Bodies only when so required by the applicable regulations. They may also be communicated to external auditors for the fulfilment of financial obligations, and to public authenticating officials in the event of the contract being made public.

Furthermore, the Acerinox Group companies and third parties may access personal data exclusively for internal administrative and management purposes regarding the contract. For this purpose, the data subject is informed of the possible storage of their personal data on servers located in the United States, a country that does not have an adequacy decision due to the possible access to personal data by the American government. Nevertheless, any international transfers will be made in compliance with the applicable regulations at all times.

The data subject shall have the right to obtain a copy of the safeguards and means adopted to make such transfers in an appropriate manner.

#### **e) Rights of the data subjects relating to the processing of their personal data**

Data subjects have the right to access their personal data, request the rectification of inaccurate data or, where appropriate, to request its deletion when the data is no longer necessary for the purposes for which it was collected. In certain circumstances, data subjects may request that the processing of their data be restricted, in which case it will only be kept for the purpose of exercising or defending claims.

In certain circumstances and on grounds relating to their particular situation, data subjects may object to the processing of their data, in which case the data will no longer be processed, except when it is necessary to continue processing for legitimate reasons, or for the exercise or defence of possible claims. Thus, the data subject of the personal data may exercise their rights of access, rectification, deletion and limitation or opposition to the processing thereof, by presenting a photocopy of their National Identity Card, or similar legally valid document accrediting their identity, and indicating which right they wish to exercise at the following address:

Calle Santiago de Compostela, 100, 28035, Madrid (Spain).

E-mail: [dpo@acerinox.com](mailto:dpo@acerinox.com)

Tel.: +34 91 398 51 05

Data subjects are also informed of their right to file complaints with the respective data protection supervisory authority.

**ANNEX C**

**MODEL BANK CERTIFICATE CERTIFYING PAYMENT OF SOCIAL SECURITY OBLIGATIONS OR EQUIVALENT**

Mr/Ms ....., with ID no. ...., in his/her capacity of Attorney of the Entity....., Bank Branch ....., located at ....., .....

**HEREBY CERTIFIES THAT:**

On [day] ..... [month] ..... 20...., the Company ....., with Tax ID Number....., with Social Security Account Code or Registration Code ....., has paid the social security contributions or insurances for the months of ..... in 20...., amounting to ....., according to the TC-1 forms with numbers ....., following a debit made to account no. .... which the aforementioned Company opened at this Bank.

This amount has been definitively debited with no cancellation and transferred to the General Social Security Treasury (or equivalent institution).

This Certificate is issued following the request of the party concerned in [town/city]....., on [day]..... [month]....., two thousand and .....

Signed and Stamped.