

## OBJECT

1. This document lays down the general terms of purchase (hereinafter, "GTP") that are to govern the supply of all kinds of goods, equipment and materials (hereinafter, the "Goods") and/or the provision of all kinds of services (hereinafter, the "Services") by the suppliers (hereinafter, the "Supplier") to any subsidiary in the MORCHEM Group (hereinafter, "MORCHEM").

2. Unless otherwise provided in any order issued by MORCHEM, the scope and price of supply of Goods or of provision of Services shall be deemed to include: (i) loading and unloading, packaging and labelling, storage; (ii) documentation, additional services, labour (including performance, construction and assembly) and/or equipment (including software and hardware, tools, patterns, models, moulds, gauges and spare parts) required for the order.

## CONTRACTUAL DOCUMENTATION

3. The relationship between MORCHEM and the Supplier shall be governed by the following contractual documentation (hereinafter, the "Contract"): (a) the purchase order issued by MORCHEM in writing (hereinafter, the "Order") and, where applicable, the Delivery Schedule (as this term is defined below); (b) these GTP; and (c) the offer and confirmation of the Order by the Supplier, including the technical specifications of the Goods and/or Services.

4. In the event of discrepancies in the contractual documentation: (i) the Order shall prevail over the GTP and the offer and the Confirmation of the Order; (ii) the GTP shall prevail over the offer and Confirmation of the Order by the Supplier.

## ORDERS AND DELIVERY SCHEDULES

5. The Supplier shall have a maximum of two (2) calendar days to confirm each Order in writing. Such acceptance is a condition precedent of the Contract. The Contract will therefore not take effect, and the obligations contained in it (including MORCHEM's payment obligation) will not be binding, until the order has been confirmed by the Supplier. If the Order is not confirmed by the Supplier within two (2) days, it will be cancelled. If the Supplier starts to carry out the Order in any way during this time, it will be considered to have confirmed the Order.

6. The Supplier's confirmation of the Order implies acceptance of these GTP, which shall be deemed to have been incorporated into each Order regardless of whether or not express reference thereto has been made. The Supplier must specifically inform MORCHEM of any discrepancies between the confirmation of the Order and MORCHEM's Order.

7. The Contract shall in no event be subject to the Supplier's general terms and conditions, even if they have been referred to in a document exchanged between the parties.

8. Orders may be open, in which case they shall not relate to fixed quantities or volumes of Goods and/or Services. The contracted quantities and delivery dates shall be specified by MORCHEM by providing delivery schedules to the Supplier (individually, a "Delivery Schedule"). Each Delivery Schedule shall relate to an Order number and must be accepted within the same time as that specified in Clause 5.

## PRICES AND PAYMENT METHOD

9. The prices set forth in the Order must be fixed, final and definitive, and they shall not be subject to review. The price shall be deemed to include all the items included in the cost of the Goods or Services covered by the Order including, without limitation, insurance, all expenses of any kind, intellectual property-related payments, the costs of any certificates specified in the Order, exchange rates, taxes, duties and all charges of any kind.

10. Unless otherwise agreed, the Supplier shall issue an invoice for the Goods and/or Services every two weeks once they have been delivered and accepted by MORCHEM. Invoices shall include all the information required by law and shall specify the Order to which they relate and the Goods' delivery note numbers, as well as each item's net weight, origin and customs tariff number.

11. Payment shall be made by bank transfer within the time specified in the Order.

12. Invoices for Goods and/or Services that do not meet the requirements stipulated in the Contract or whose date is earlier than the date of the related Delivery Date (as this term is defined below) will not be processed. MORCHEM shall be entitled to withhold payment if the Goods and/or Services delivered do not fulfil the requirements established herein and to deduct from any payments owed to the Supplier any penalties for late delivery that may apply under these GTP.

## DATE/PLACE OF DELIVERY

13. The delivery date specified in each Order and/or Delivery Schedule (hereinafter, the "Delivery Date") shall be an essential condition. The Supplier expressly undertakes to establish / arrange a production plan for the delivery of the Goods and/or Services, with the quality levels and Delivery Date specified in the Contract.

14. No test or inspection, or delay in carrying out, or failure to carry out, a test or inspection, or failure to discover any defect or non-conformity, shall release the Supplier from any of its obligations.

15. The Supplier shall be responsible for delivering the Goods at the agreed place as provided in the applicable Incoterm (Incoterms 2020) (hereinafter the "Place of Delivery"). The Supplier shall inform MORCHEM five (5) days prior to shipment for MORCHEM's approval.

16. If the Supplier fails to deliver within a Delivery Date for reasons other than force majeure, MORCHEM shall be entitled to apply a penalty of 10% (ten per cent) of the value of the delayed Goods and/or Services for each full week of delay up to a maximum of 20% of the said value. If the delivery has been delayed to such an extent that MORCHEM is entitled to the maximum penalty and the Goods and/or Services still remain undelivered, MORCHEM shall be entitled to terminate the Contract, in full or in part, without any obligation to indemnify or compensate the Supplier.

## DELIVERIES

Delivery of Materials and Components to the Supplier

17. If MORCHEM has to provide any materials and ancillary supplies required for the Supplier to perform the Contract (hereinafter, the "Materials"), this section shall apply in full. The Supplier shall use the Materials solely for the performance of this Contract.

18. All materials shall belong solely and permanently to MORCHEM. The Supplier shall do everything that may be necessary to safeguard MORCHEM's ownership of the Materials, particularly in the event of any insolvency proceedings. MORCHEM may request a document issued by a Notary Public declaring its absolute ownership of the said Materials whenever it deems fit, and the Supplier undertakes to provide its assistance with this as may be necessary.

19. The consumables required to carry out the tasks set forth in the Order shall be provided by the Supplier.

20. If the Supplier needs Materials belonging to MORCHEM in order to deliver the Goods and/or Services, these must be requested sufficiently in advance to enable it to meet the Delivery Date.

21. All the Materials delivered must include a delivery note stating the Order number, the reference numbers of the items delivered and their quantities, and the contents of each box, including dimensions, net weight and gross weight. The Supplier is responsible for: (i) checking the accuracy of the references and quantities stated in the delivery note, as inventory discrepancies may not be attributed to documentation errors that were not detected at the time of delivery; (ii) inspecting the Materials and immediately informing MORCHEM of any defects or non-conformities identified.

22. The Supplier must establish the necessary controls to maintain custody of the Materials and immediately inform MORCHEM of any loss or damage thereto. In particular, the Supplier shall store the Materials at its own expense, mark them as belonging to MORCHEM, and keep them separate from other materials or products.

23. The Supplier shall take out and keep in force an all-risk insurance policy with a renowned insurance company containing the terms and conditions specified in the clauses on INSURANCE set forth below, for at least the full replacement value of the Materials in its possession plus 10% of that value, and it shall provide MORCHEM with the relevant certificate on its request.

## DELIVERY OF THE GOODS

24. Save as otherwise specified in the Order, the Goods shall be delivered Delivery Duty Paid (DDP) (to the delivery address specified in the Order) in accordance with Incoterms 2020. Risk shall be transferred to MORCHEM as provided in the applicable Incoterm.

25. The Goods shall be packaged by the Supplier such that they can be handled, transported and stored without being damaged in any way. They shall be packaged in accordance with the requirements of the Order and with any other packaging or labelling requirements that may be stipulated by the applicable law, which the Supplier hereby states that it fully understands. Once they have been packaged, the Goods must be labelled in a perfectly legible way, clearly stating MORCHEM's company name and the Order number. The Supplier shall on MORCHEM's request remove the packaging after delivering the Goods.

26. If the Goods are classified as dangerous goods for transport, the Supplier shall issue appropriate documentation for their transport and must inform MORCHEM before shipping them. The Supplier shall provide MORCHEM with copies of all the documents drawn up for the export of dangerous goods. Furthermore, the Supplier shall inform MORCHEM whenever it supplies Goods that may contain a substance that must be declared in order to be carried by air. In such cases, MORCHEM shall be provided with an appropriate Safety Data Sheet Declaration for the Materials. The Supplier must inform MORCHEM if the Goods to be supplied are considered to be "dual use". This information shall be included in the offer, the invoice and the Supplier's delivery note.

27. MORCHEM may make justified changes to the quantities appearing in the Order or order the temporary suspension of their delivery. Any items added to the quantities appearing in the Order shall be charged at the same price as that applied to the original Order.

28. The Supplier must immediately notify MORCHEM of any incidents preventing the delivery from being made on the Delivery Date, stating the reason for the delay, as well as the estimated delivery date if possible. If the Supplier fails to notify MORCHEM, the latter shall be entitled to compensation for any additional costs incurred that could have been avoided had such notification been made. The Supplier shall take all necessary action to minimise the delay (including overtime, express freight, etc.), at no extra cost to MORCHEM.

29. At the time of delivery of the Goods, the Supplier shall provide a properly filled in delivery note containing the Order number, quantity, MORCHEM's reference, Order line or position to which the delivery relates, and date, as well as the origin, HS code (tariff code) and net weight of each item delivered.

30. The Supplier undertakes to send a weekly status report on the progress of the work.

## QUALITY

31. The Supplier is responsible for the quality of the Goods and/or Services delivered to MORCHEM, regardless of whether they have been made or carried out by the Supplier itself or acquired from a subcontractor.

32. The quality of the Goods and/or Services must conform to the quality stipulated in the specifications provided to the Supplier and referred to in the Order, as well as to the provisions of MORCHEM's Quality Assurance and Control Department.

33. If the materials to be supplied are still pending approval by a production plant, the Supplier shall send to the plant's quality control department, sufficiently in advance of the arrival of the materials at the Place of Delivery, all the documents required for the approval of the component in accordance with the requirements stipulated by MORCHEM. It is understood that the delivery of the above-mentioned documents is essential in any event.

34. The Supplier shall provide all necessary documents and quality certificates, properly filled in according to the requirements stated by MORCHEM and sufficiently in advance of the arrival of the Goods at the Place of Delivery. MORCHEM's reference, specifications and any changes, shall appear clearly on the certificates issued.

35. No technical modifications may be made without MORCHEM's prior consent.

36. In order to comply with the above-mentioned quality requirements, the Supplier must have in place a quality assurance system that enables the Goods delivered to comply with the specifications received by it from MORCHEM. The said system must be properly documented and designed in line with the guidelines contained in a recognised standard certified by an independent third party (such as ISO 9000 or similar), and it must be applied to the material's manufacturing process. The Supplier will be under an ongoing obligation to promptly notify MORCHEM of any infringements of, or deviation from, the quality control system and to inform it of the quantity and specific identity of any Goods delivered to MORCHEM in the period comprising such infringement or deviation.

37. If the Supplier does not have a certified quality assurance system, it shall allow personnel appointed by MORCHEM to carry out a temporary assessment of its quality control system. The Supplier undertakes to submit a detailed plan for obtaining ISO 9000 or similar certification.

38. Any quality issues affecting the Goods supplied that may be identified by MORCHEM or its customers shall be reported to the Supplier in writing. The Supplier shall issue an immediate response to the non-conformity report (8D) or similar document sent by MORCHEM, and it shall promptly inform MORCHEM of the reason that gave rise to the issue and of the corrective and preventive measures planned and carried out.

39. We reserve the right to stipulate special terms of delivery or restricted shipping in the event of repeated supplies of faulty materials or continued failure to comply with the requirements stipulated by MORCHEM. These shall include, without limitation, checks on 100% of components by the Supplier or third parties, in any event at the Supplier's expense.

## INSPECTIONS

40. MORCHEM reserves the right to carry out any inspections that it may deem appropriate to ensure the quality of the Goods, the suitability of the production systems, the processes, the condition of the tools and equipment provided to the Supplier, and compliance with the terms of delivery and the conditions stipulated in the Contract. Inspections of finished goods shall not preclude their subsequent rejection by MORCHEM or its customer.

41. The Supplier undertakes to allow MORCHEM's employees or designated personnel to access its offices in order to assist its own personnel, and to provide any documents that may be requested by MORCHEM for this purpose.

## WARRANTIES

42. The Supplier warrants and represents to MORCHEM:

(i) that the final Goods delivered:

- (a) are free from any design, workmanship or manufacturing defects or defects in raw materials;
- (b) have complied with the specifications, drawings, samples, quality, quantity and other descriptions specified in the Order and in any other information or instruction provided to the Supplier;
- (c) are fit for their intended purpose;
- (d) are new and of the highest quality;
- (e) are in compliance with the current national and international legislation applicable at the time of delivery, in particular as regards safety and the environment;

(ii) the Service provided:

- (a) has complied with the specifications and other requirements stipulated in the Order and in any other information or instruction provided to the Supplier;
- (b) has been properly and diligently provided by trained and experienced personnel; and
- (c) complies with current national and international laws. All warranties and representations made by the Supplier in its brochures, catalogues, sales materials and quality systems shall be binding.

43. The Supplier shall be responsible, for two (2) years from the time of delivery of the Goods and/or one (1) year from the time of provision of the Service, for remedying any defects or non-conformities of the Goods and/or Service and any costs and/or damage that may result from their defective operation. Warranty services shall be delivered DPP Incoterms 2020 (Delivered Duty Paid).

44. If any defects for which the Supplier is responsible arise during the warranty period, MORCHEM may ask the Supplier to repair or replace the defective Goods or to provide the defective Service again. MORCHEM shall be entitled to withhold any payments owed to the Supplier until the defective Goods have been repaired or replaced or the Service has been provided again. If the Supplier fails to remedy the defect sufficiently quickly, MORCHEM may either remedy it itself or have it remedied by a third party, with all costs arising therefrom being borne by the Supplier. The warranties and remedies established in this Clause are recognised as additional to MORCHEM's right to claim compensation for loss, damage and cost and to its implied rights or its rights acknowledged by law.

## ORGANISATION

45. The Supplier shall comply with tax, employment and any other applicable legislation at all times. The Supplier shall hold MORCHEM harmless in relation to any claim, cost, loss, necessary costs (including legal fees) or liability, including VAT where applicable, that may arise as a result of breach of the Supplier's legal and/or contractual obligations vis-à-vis its employees, agents, collaborators, suppliers or subcontractors.

46. When carrying out the Order, the Supplier shall act as an independent entrepreneur or company at all times, and not as an agent or representative of MORCHEM. Under no circumstances may a relationship of employment between MORCHEM and the Supplier's personnel be deemed to exist.

47. The Supplier shall be liable for all loss or damage resulting from any acts and omissions of any kind of the Supplier or its agents, employees, subcontractors and counterparts, and it shall hold MORCHEM harmless in relation to any claim, cost, loss, necessary costs (including legal fees) or liability, including VAT where applicable, that may arise as a result of any act or omission of the Supplier.

## INSURANCE

48. The Supplier shall take out with a renowned insurance company an insurance policy that is suitable for the execution of the Order and has a minimum cover of €600,000 Euros in any event, unless otherwise agreed. The Supplier shall provide a certificate of such insurance policy at MORCHEM's request.

## CONFIDENTIALITY

49. All technical, financial or business information relating to MORCHEM, the companies in the MORCHEM group, its customers or its products that may be acquired by the Supplier as a result of the Contract, including its terms, is confidential. The Supplier undertakes to refrain from disclosing any confidential information to third parties or to use it, either directly or indirectly, for any purposes other than as provided in the Contract. Without prejudice to any other remedy to which MORCHEM may be legally entitled, a penalty of €100,000 shall be applied for each breach of the confidentiality obligation that may be acknowledged herein.

50. Confidential information will only be provided by the Supplier to its employees whenever this is strictly necessary to fulfil the purpose of the Contract, and the Supplier shall guarantee in any event that its employees comply with the confidentiality obligation as acknowledged in the preceding paragraph.

51. When the Contract comes to an end, the Supplier shall on MORCHEM's written request hand over all the documents generated. These shall include (without limitation) the drawings, and the Supplier may not retain any full or partial copies thereof.

52. This Clause shall remain in force for five years after the Contract has been terminated or has come to an end.

## INTELLECTUAL PROPERTY RIGHTS

53. All technologies, processes, methods, formulas, designs, specifications, patents, trademarks, service marks, copyright, design rights, inventions, industrial secrets, know-how, intellectual and industrial property information and any other confidential information (including, without limitation, all improvements or alterations to work deriving therefrom) that may arise in connection with the Contract shall be the sole property of MORCHEM at all times.

## ASSIGNMENT AND/OR SUBCONTRACTING

54. The Supplier may not assign, transfer, replace or subcontract to third parties any of its rights and/or obligations under this Contract (in particular, the ordinary credit rights arising from the invoices issued by it to MORCHEM) without MORCHEM's prior written consent. The Supplier's responsibilities in connection with the Contract shall remain the same regardless of whether it has been carried out by the Supplier or by an authorised subcontractor.

55. MORCHEM is expressly authorised by the Supplier to assign all or part of its rights and obligations under the contract to any company in its group.

## FORCE MAJEURE

56. On the occurrence of an event of force majeure, the deadline for carrying out the Order shall be extended by a period equivalent to the duration of the event of force majeure. If the event of force majeure lasts for more than 120 days, or if it becomes clear in the circumstances that it will last for longer than 120 days, the party not affected by the event shall be entitled to terminate the Contract by giving notice to the other party. For the avoidance of doubt, strikes, production stoppages and labour disputes affecting only the workers or personnel hired by the Supplier, a lack of transport, and delays attributable to subcontractors, shall not be considered events of force majeure.

## SEVERABILITY

57. If any provisions of the Contract or of these GTP are held to be fully or partially null, void or inapplicable, this will not affect the other provisions agreed upon, which shall remain in force.

58. The parties agree to replace any clauses that are held to be null, void or inapplicable with other clauses that are valid and are as similar as possible to the original clause in terms of their purpose.

## TERM AND TERMINATION

59. These GTP shall continue to apply to the supply of all Goods and/or the provision of Services.

60. Material breach of any of the clauses of the Contract shall entitle MORCHEM or the Supplier to cancel the Contract, in full or in part and at no cost to it, by giving written notice to the party in breach.

61. MORCHEM may cancel the Contract, in full or in part and at no cost to it, by giving written notice to the Supplier in any of the following cases: (i) if MORCHEM considers that the quality levels specified in the Contract have not been reached; (ii) if the delay in delivery is such that MORCHEM is entitled to the maximum penalty and the Goods and/or Service have still not been delivered; (iii) in the event of a "change of control" of the Supplier ("Change of Control" shall mean any significant change regarding the Supplier's ownership or top executive management, or if a third party acquires direct or indirect control of the Supplier); (iv) if the Supplier ceases to have legal personality or is declared bankrupt, insolvent or in receivership; (v) in the event of any legal situation that limits the Supplier's ability to manage or dispose of its assets and that has a detrimental effect on the performance of its obligations under the Contract (this includes, among others, the inability to pay its debts, the passing of a liquidation resolution, or the issue by a competent court of an order for the party's liquidation or dissolution, the appointment of an administrator, the issue of a receivership order or the appointment of a receiver or trustee); (vi) in the event of repeated supplies of faulty materials or repeated failure to comply with the requirements established by MORCHEM. In the event of cancellation by MORCHEM, the said party shall be entitled to claim damages as a result of such cancellation.

## JURISDICTION AND APPLICABLE LAW

62. The Contract and the entire relationship between the parties pursuant to it shall be governed by Spanish law, and it shall be construed in accordance with that law.

63. All lawsuits, disagreements or claims that may arise between MORCHEM and the Supplier in connection with the construction or enforcement of the Contract, or directly or indirectly related to it, must be resolved by institutional arbitration at law conducted by the Court of Arbitration of the Chamber of Commerce, Industry and Navigation of Barcelona (Spain), which must be asked to manage the arbitration proceedings and appoint an arbitrator in accordance with its laws and regulations. The parties undertake to comply with the resulting award. An arbitration clause does not preclude either party from requesting provisional or preventive measures from the courts. The arbitration shall take place in Spain.

## CODE OF ETHICS

64. The Supplier warrants and represents to MORCHEM that it currently complies with all applicable laws and regulations and will continue to do so throughout the performance of the Contract; and it warrants in particular that:

- (i) it respects the environment and has appropriate measures in place to contribute to its sustainability;
- (ii) it respects universal human rights and personal privacy;
- (iii) it rejects and does not use any kind of "child" labour (in this contract, the term "child" means a person under sixteen years of age, or under the minimum age stipulated for being a worker in the relevant jurisdiction if such age is higher than sixteen);
- (iv) all its workers and subcontractors, if any, have a safe and healthy working environment that complies with the applicable laws;
- (v) the Supplier and its subcontractors, if any, will comply with all applicable laws governing wages and fair labour practices including, without limitation, non-discrimination on the grounds of race, religion, origin, political affiliation, sexual preference or gender (unless differential treatment of a specific group of individuals is required by an applicable law) and non-violence, harassment or abuse; and
- (vi) will not, and will not permit its employees and/or subcontractors to, make, either directly or indirectly, any payments in cash or in kind or any other payments to individuals or through individuals to the bodies they represent for the purpose of gaining or retaining business or other benefits.