

GENERAL TERMS AND CONDITIONS OF PURCHASE

of the trading company

LAYDE STEEL, S.L.U.

I. INTRODUCTORY PROVISIONS

1. The present general terms and conditions of purchase (which hereinafter shall be referred hereto by the acronym “**GTCP**”) shall apply to all purchases of materials, products or any other goods and services whatsoever (which hereinafter shall be referred to as the “**Products**”) undertaken by LAYDE STEEL, S.L.U. (which hereinafter shall be referred to as the “**Purchaser**”) to the suppliers (which hereinafter shall be referred to as the “**Vendor**”). The GTCP shall be understood to be incorporated into each purchase agreement or order of the Purchaser, and known and accepted by the Vendor and shall prevail over any other terms and conditions whatsoever. The placement of an order implies full and unreserved acceptance of the present GTCP by the Vendor.
2. The invalidity of any of the terms and conditions of the present GTCP shall not render null and void any other of the terms and conditions thereof.
3. In the event of conflict between the Spanish version of the GTCP and a translation into any other language thereof, the Spanish version shall prevail.

II. OFFERS, QUOTATIONS, ORDERS AND ACCEPTANCE

1. Any offer or quotation submitted by the Vendor to the Purchaser shall be valid for a minimum period of thirty (30) days from the date of receipt thereof by the Purchaser.
2. The prices included in said offer or budget estimate shall necessarily include all taxes, fees, insurance and any other costs required to execute the order up to receipt thereof/ by the Purchaser, as well as expenses in relation to packaging, protection and other costs necessary for the maintenance of the Products. All expenses in relation to intellectual or industrial property which may affect the Products shall likewise be included.
3. Orders placed by the Purchaser and the terms and conditions included therein shall be understood as accepted and binding upon the Vendor unless expressly refused by the Vendor within five (5) days following the date of receipt of the order. In the event of any discrepancy between the terms and conditions of an order and the terms and conditions of the acceptance thereof, the Purchaser shall be entitled to unilateral cancellation of the order.
4. The Purchaser's acceptance of the Products shall be an express acceptance, whereby payment of an invoice shall not in itself constitute acceptance of the Products delivered, but shall only denote the Purchaser's acknowledgement that delivery has been made. Nor shall the absence of express refusal of an invoice constitute acceptance thereof.

III. INVOICING AND TERMS OF PAYMENT

1. Unless expressly agreed otherwise by the Purchaser and the Vendor upon acceptance, the prices included under the Delivery Duty Paid (“**DDP**”) Clause, pursuant to the INCOTERMS 2020 drawn up by the International Chamber of Commerce – the “**INCOTERMS**” –. Prices shall include taxes, duties and fees.
2. Once the corresponding delivery has been made, the Vendor shall forward to the Purchaser, pursuant to the Purchaser's instructions, duplicate invoices, which shall comply with all applicable legal requirements and, in particular, the express indication of the number and date of the order, the Vendor's details, the corresponding contractual milestones subject to partial invoicing and the specification of the amount of any payment on account or existing balances. Each invoice issued shall correspond to a single order.
3. The Purchaser, in the absence of a specific agreement on a longer deadline, shall pay the invoices, issued pursuant to that set forth in the preceding paragraph, within a term pursuant to the prevailing legislation from the time of acceptance of the invoice. In the event that the Vendor fails to comply with any of the requirements stipulated by the Purchaser, the Purchaser shall be entitled to withhold payment until the effective compliance of said requirements. In the foregoing event, the Vendor shall not be entitled to claim interest or penalties or compensation of any kind whatsoever.

IV. QUALITY, SAFETY, HEALTH AND ENVIRONMENT

1. Prior to submitting an offer or budget estimate, the Vendor shall undertake the necessary steps to ascertain the Purchaser's requirements and the intended use of the Products for the purposes of the provision of all advice and information as the Purchaser may require. The Vendor shall likewise ascertain itself in relation to any procedures, legislation or regulations applicable to the Products and shall undertake howeversomany investigations or tests as may be necessary or appropriate to do so to ensure quality and shall notify the Purchaser of the results of said investigations or tests.
2. The Purchaser's established quality requirements shall be understood to be the terms and conditions of the order itself. Notwithstanding the foregoing, the Vendor shall likewise have a quality system established and implemented pursuant to the quality standards applicable to the type of Products in question. The Purchaser and the representatives thereof are authorised to perform audits and verifications in relation to the quality system of the Vendor or any of the subcontractors thereof.
3. The Purchaser certifies a solid commitment to social, safety, health and environmental issues. In order to ensure the compliance of said commitments, the Products offered by the Vendor must comply with the standards and regulations applicable in this regard, with special attention to all matters in relation to occupational safety and health of workers. Furthermore, the Vendor hereby undertakes to furnish all the necessary information for the use, transport, handling or processing of the Products thereof, in order to ensure compliance with the commitments undertaken by the Purchaser in this regard. In the event of non-compliance with the commitments undertaken by the Vendor in relation to safety, health or the environment, the Purchaser shall be entitled to the unilateral rescission of corresponding order, and the expenses shall be borne by the Vendor.

4. In relation to that set forth in the preceding paragraph, derivative from the defective action or inaction by the Vendor in matters of quality, safety, health or environment, it shall be understood that the non-compliance shall proceed both with respect to the Purchaser as well as the Purchaser's clients.

V. PACKAGING

1. Prior to the delivery of the Products, the Vendor shall inspect same for the purpose of verification of the compliance thereof with the agreed specifications, quality, weight and dimensions and to be able to detect any possible damage thereto.
2. The Products shall be packaged in such a way as to avoid damage during transport or handling thereof and shall be correctly labelled pursuant to the following guidelines:
 - (i) the regulations applicable to each case, with particular relevance in the case of hazardous products; and
 - (ii) the instructions given by the Purchaser.
3. The packaging shall specify at least (i) the Purchaser's order number; (ii) the Vendor's identification (iii) the number of the Products; (iv) the place of delivery; (v) the description of the Products; (vi) weight; (vii) quantity; and (viii) all instructions required for proper assembly of the Products. Slings and handling points shall be supplied with the Products.
4. The material used and the packaging methods shall be at the discretion of the Vendor, and the Vendor shall endeavour to minimise costs as reasonably practicable while complying with the minimum requirements of protection, safekeeping and respect for the environment. Said material and everything required for to safely transport of the Products shall be removed by the Vendor if so requested by the Purchaser.

VI. ACCOMPANYING DOCUMENTATION FOR PRODUCTS

The Vendor hereby undertakes to make delivery within the agreed period, which may not exceed the time of delivery, all technical documentation in relation to the Products including, but not limited to (i) the user manuals, (ii) the technical data sheet, (iii) the blueprints, (iv) the safety data sheets, (v) the codes; and (vi) any other documents related to the Products. All the documents described above shall become the property of the Purchaser and shall constitute an integral part of the Products pursuant to that set forth in the GTCP.

The Supplier shall certify that all raw material orders supplied to Layde Steel slu are not processed incorporating any steel products or semi-finished steel products, including but not limited to slabs, originating in Russia as included in Annex XVII of Regulation (EU) 2023/1214 of the Council of the European Union, amending Regulation 833/2014 of the Council of the European Union. The Supplier likewise confirms that all orders specified in Annex I of this document comply with the Russia (Sanctions) (EU Exit) Regulations 2019, Section 46D and the Russia (Sanctions) (EU Exit) (Amendment) Regulations 2023, Sections 46IA and 46IB of the United Kingdom.

VII. TRANSPORT

The mode of transport of the Products shall be at the discretion of the Vendor, provided that the proper execution of said transport is guaranteed. Furthermore, if necessary or convenient to do so, the Vendor may use agents or subcontractors who provide sufficient guarantees.

VIII. DELIVERY AND ACCEPTANCE

1. Unless otherwise agreed, all Products shall be sold pursuant to the INCOTERM Delivered Duty Paid (DDP), and shall be unloaded at the premises so specified by the Purchaser. In the absence of any special specification in this regard, delivery may only be made to the registered office of the Purchaser.
2. The delivery deadline specified in the order is an essential term which must be complied with and which, otherwise, shall entitle the Purchaser to:
 - (i) cancel the order and refuse delivery, with the corresponding payment for losses and damages derivative from non-compliance in meeting the deadline.
 - (ii) accept delivery after the deadline, without prejudice to the compensation provided for in Section 4 below, which may be withheld directly from the payment to be made to the Vendor. In the above case, no prior notice to the Vendor shall be necessary.
 - (iii) the acceptance of partial or early deliveries, being able to return the Products or, where appropriate, to store same, at the Vendor's risk and expense.
3. In the event of delay, the Vendor shall notify the Purchaser as the earliest opportunity, specifying (i) the causes of the delay; and (ii) the duration thereof. Furthermore, the former shall advise the Purchaser of all measures adopted by the Vendor to avoid said delay or, where appropriate, to minimise same.
4. In the event of the aforementioned delay, the Purchaser shall be entitled to compensation for losses and damages, without prejudice to any other remedy to which the Purchaser may be entitled to. Said compensation shall amount to five per cent (5%) of the value of the order for each calendar day of delay. The decision to offset the compensation shall be notified to the Vendor prior to the date of payment of the first invoice following the delay. Said compensation shall not limit the Purchaser's right to exercise other actions in respect of any possible non-compliance by the Vendor in the delivery of the Products.

IX. TITLE

The Products shall become the property of the Purchaser at the time the Products are made available to the Purchaser, notwithstanding the fact that the risks shall continue to be borne by the Vendor until formal acceptance of the Products by the Purchaser.

X. PRODUCT INSPECTION, CLAIMS. WARRANTY AND VENDOR'S LIABILITY

1. In the event that the Products are delivered by the carrier to the Purchaser with a loss, defect or damage, or in a lesser quantity than agreed, the Purchaser hereby undertakes to notify the carrier and the Vendor of the damages in writing at the earliest opportunity.
2. Non-delivery by the Purchaser of said notification shall not constitute a waiver of any claim whatsoever which may correspond to the Purchaser against the Vendor for any of the grounds described in the preceding paragraph.
3. Upon notification to the Vendor pursuant to the preceding paragraphs, the Vendor shall be entitled, at its discretion, to remedy said defect or to deliver a consignment free from defects. For all appropriate purposes, it is herein stated that until the defect has been remedied or the defect-free consignment has been delivered, the compensation stipulated in Clause VIII.4 above shall apply. Nevertheless, in the event that the Purchaser chooses to purchase the defective Products, the Vendor shall be under the obligation to pay the Purchaser the /decrease in the value of the Products as a result of the loss thereof.
4. The Vendor warrants that the Products delivered comply with all the requirements and specifications agreed in the order and the GTCP as well as the suitability thereof for the specific requirements of the Purchaser and that same are free from design or manufacturing defects. It likewise warrants that the Products comply with all standards, regulatory requirements established and any other regulations applicable to the specific case, with particular attention to all those related to safety, health and the environment. All warranty documents included in the order shall be binding on the Vendor. Likewise, the Vendor, upon a thorough inspection of the Products, warrants that their characteristics comply with the specific requirements of the Purchaser.
5. The Products delivered shall have a warranty period of two (2) years from the delivery thereof. Any claim made during the warranty period shall entail the suspension of the warranty period until the defect is remedied. Accordingly, the warranty period shall be extended by a period equal to the period for which the aforementioned period was suspended.
6. The Purchaser reserves the option, in the event that any of the Products do not meet the terms and conditions laid down, to choose from any of the following:
 - (i) to rescind the order;
 - (ii) to accept the Products, with the resulting reduction in price; or
 - (iii) to refuse the Products, requiring the delivery of new replacement Products or the repair thereof.

It shall be at the Purchaser's discretion to opt for any of these measures. Said option must be notified to the Vendor in writing within ten (10) calendar days. In the event that the Purchaser chooses the options included in (i) or (iii), the Vendor shall proceed at the earliest opportunity to withdraw the Products, and shall bear the entirety of the storage costs which may ensue. In either event, the return of the Products shall be at the risk and expense of the Vendor.

7. In the event that the Vendor fails to undertake the replacements or repairs of the Products in a timely manner or without appropriate alacrity, the Purchaser reserves the right to

replace or repair said Products through an alternative supplier, and the corresponding expenses incurred shall be borne by the Vendor.

8. The repairs or replacements of the Products shall be subject to that set forth in this Clause and in the event of repair or replacement of the Products, the repaired or replaced Products shall have a two (2) year warranty from the date the repaired or replacement Products are delivered.
9. Liability for any losses and damages whatsoever, albeit direct or indirect, including loss of profits, loss of earnings, loss of production, incurred by the Purchaser and the clients thereof as a result of delays in delivery or defects in the Products shall be borne by the Vendor.
10. The prior inspection or verification undertaken by the Vendor shall under no circumstances whatsoever exempt the Vendor from liability contemplated in this Clause or from compliance with any other requirements whatsoever stipulated in the order.
11. The products, parts or components necessary for the repair, maintenance or any other operation intended at ensuring the proper functioning of the Products must be supplied by the Vendor during the entire duration of the commercial relationship, and said products shall not cease to be manufactured or distributed during this period. In the event that, following the end of the commercial relationship, the Vendor wishes to cease production or distribution of the parts or products mentioned in the present paragraph, it shall notify the Purchaser of this circumstance with a minimum notice period of one (1) year, so that the Purchaser may act accordingly, placing new orders if necessary.

XI. PROPERTY RIGHTS AND COPYRIGHT

1. The Vendor hereby warrants that the Products delivered as well as the making available to the Purchaser of said Products comply with all applicable intellectual property, copyright and industrial property laws and do not infringe or breach any trademark, patent, industrial design or any other rights in favour of any third party whatsoever which may exist, if any.
2. In the event of any breach of the aforementioned provisions actually occurs, the Vendor shall compensate the Purchaser, as well as cover all liability which may be incurred as a result of any claim or action of any kind in this regard, including solicitors' costs and fees derivative from possible lawsuits or proceedings brought against same for this reason. Furthermore, the Vendor hereby undertakes, at its own expense, to defend the Purchaser in any litigation or legal proceeding brought against same as regards any of the terms included in the present Clause.

XII. INSURANCE

The Vendor shall underwrite take out and maintain howeversomany insurance policies as may be necessary or convenient to do so, to cover the liabilities contemplated in these GTCP, both the liability vis-à-vis the Purchaser and vis-à-vis third parties. In the event that the Purchaser so requires, the Vendor hereby undertakes to furnish the former with the supporting documents or similar documents which certify said coverage.

XIII. SUBCONTRACTING

Subcontracting to third parties to undertake or assist in the performance of the obligations stipulated in the contract or in the order must be previously authorised by the Purchaser. Notwithstanding the foregoing, the Vendor shall undertake such subcontracting at its sole

liability and bear all necessary expenses. The Purchaser reserves the right to refuse any subcontracting which does not comply with the requirements set out in these GTCP. All subcontractors shall be notified by the Vendor of the contents of these GTCP, as well as the provisions of the order. The Vendor shall likewise notify the subcontractors of the requirements made by the Purchaser, especially with regard to the applicable safety standards and procedures.

XIV. ASSIGNMENT

Any assignment of an order, the rights inherent therein or the credits accrued in favour of the Vendor shall be expressly authorised in writing by the Purchaser.

XV. TERMINATION

1. The Purchaser shall be entitled to suspend the order for such time which is deemed appropriate to do so as well to cancel the order, in whole or in part, where appropriate, by means of a prior notification of not less than three (3) days' notice to the Vendor prior to the delivery thereof, even if the Vendor has not incurred any breach of contract or the terms of the order. The Vendor shall only be entitled to claim reimbursement of the amounts so far spent.
2. In the event of non-compliance by the Vendor of any agreed term or condition of the contract or of the order, as well as these GTCP, the Purchaser shall be entitled to rescind the order, in whole or in part, by furnishing prior written notice to the Vendor. Said rescission shall not entail, in either event, the waiver of the Purchaser to any other actions which may correspond thereto, as well as the reimbursement of any amounts which may have been paid as an advance to the Vendor. Neither shall this entail a waiver to claim the expenses derivative from the contracting with a second supplier which was occasioned due to the delays by the Vendor.
3. In the event that the Purchaser has reasonable grounds to consider that the Vendor shall not be able to comply with the obligations included in the contract or order, the Purchaser may rescind same with immediate effect and without any additional obligation or liability whatsoever.

XVI. APPLICABLE LAW AND JURISDICTION

1. The parties expressly submit to the jurisdiction of the courts of Bilbao (Biscay, Spain) for the resolution of any conflict which may arise with regard to the interpretation or compliance of the present GTCP and all the legal relationships established pursuant thereto, and expressly waive any other jurisdiction to which they may be entitled to.
2. The applicable legislation herein shall be Spanish law.