

# General Purchase Conditions

The purchase orders issued on behalf of COSENTINO, S.A. and COSENTINO RESEARCH AND DEVELOPMENT, S.L. (henceforth, COSENTINO), implicate the acceptance by the provider/supplier of the following general purchase conditions. Said conditions shall prevail over any purchase conditions that may be present in any of the supplier's documents.

## 1.- SCOPE.

The present General Conditions will be applied to all acquisitions of goods and services realised by COSENTINO as part of their activity. The acquisition of goods and services, and services realised as part of a specific contractual relationship will be excluded from the aforementioned field.

Any type of exception to the application of the General Conditions will only be effective in the case that it has been expressly accepted by COSENTINO, the exception being uniquely extensible to said specific cases accepted by COSENTINO and not to any other purchase agreed with the supplier. Additionally, any conditions and specifications that contradict these General Conditions inserted by the provider in any document exchanged between the parties will be null and void.

The contracting will include, apart from that which is specifically detailed in the corresponding order, everything required in order to completely fulfil the supplier's obligations in line with the technical specifications which, in each case, will have been established.

## 2.- OBLIGATIONS OF COSENTINO, S.A.

Within the remit of the execution of the orders protected under these General Purchase Conditions, COSENTINO will be responsible for paying the price of the goods and/or services that are to be delivered in the manner required for each specific case. Additionally, COSENTINO, via its staff, will facilitate dialogue with the supplier in order to communicate all information and/or documentation necessary for the fulfilment of the order.

For scenarios in which COSENTINO has committed to purchasing a minimum volume of products, said obligation will be upheld so long as market conditions permit.

## 3.- OBLIGATIONS AND RESPONSIBILITIES OF THE SUPPLIER.

Suppliers, subject to the present General Conditions, are obliged before COSENTINO to:

- Deliver products in line with the conditions and specifications contained in the order as stipulated by COSENTINO in order to fulfil all the obligations inherent to the contractual relation between the parties.
- Supply an invoice that complies with the requirements established in articles 6 and 7 of the Royal Decree 1619/2012 relating to billing, including in said document the invoice number provided by COSENTINO.
- The original of the invoice must be sent by post to PO Box no. 37, 08080 (Barcelona) prepared specially by COSENTINO for this purpose, and if the delivery is to be made by courier, it should be sent to: NOVA BPO C/Alava, 140 5ª Planta, 08018 (Barcelona).
- In the case that it is required by COSENTINO, the supplier must register with the COSENTINO suppliers' portal and complete the procedures established for this purpose using the aforementioned portal.
- Comply with all the instructions indicated by COSENTINO for the purpose of order fulfilment even when they are supplementary and/or corrective to the order upon which the contractual relationship rests.
- Act in the realm of fulfilling their obligations as an independent businessperson, assuming full responsibility for selection and monitoring of staff tasked with the completion of the order. Specifically, the supplier will be fully responsible for complying with all the obligations imposed by current labour laws, Social Security regulation, and the prevention of workplace/environmental hazards.

- Regardless of any document that may be required by COSENTINO, the supplier is obliged to present, prior to the beginning of supply, documents proving that the supplier is up to date with their Social Security and Tax Agency payments. Additionally, the suppliers that provide their services within COSENTINO facilities must accredit copies of the TC-1 and TC-2 on a monthly basis.

- Submit, in line with COSENTINO's requirements, all documentation accrediting the fulfilment of the supplier's technical, fiscal, administrative and labour obligations.

- Indemnify COSENTINO against any claims submitted for damage caused to both materials and persons, belonging to the suppliers or a third party, meaning such damages include but are not limited to the loss and/or destruction of property, death, illness, or injury of their staff, their subcontractor(s), or any other third parties, that derive from the supplier's fulfilment of the corresponding product delivery.

- Respond to COSENTINO, or any other company integrated in their Group, for damages, caused directly or by their subcontractors, consisting of the destruction of property, death, illness, or injury to their staff resulting from defective performance, by action or omission, of the obligations that bind the supplier in accordance with the present General Purchase Conditions.

- Name an individual from their organisation that will have the necessary faculties to act as a representative to COSENTINO who will be the interlocutor for any incident that originates from the fulfilment of the order.

## 4.- ECONOMIC CONDITIONS.

The prices agreed upon with the supplier, and fixed in the corresponding order, will be considered to be fixed for all intents and purposes and should remain unalterable by the supplier. For events where a specific unit price has been agreed upon, the final price to be paid by COSENTINO to the supplier will be the price resulting from the application of the aforementioned prices to the actual number of units supplied.

The prices include everything that is specifically the content of the order, as well as everything that the supplier must deliver in order to fulfil their obligations, including, but not limited to, packaging, insurance and transport (in accordance with the INCOTERM agreed on by both parties) and only excluding VAT or taxes of a similar nature, which will be displayed as an independent category.

In no case will COSENTINO be obliged to pay for units which do not specifically make up those collected as part of the order, or where appropriate, accepted expressly in writing on behalf of COSENTINO. The payment of the price will not imply, in any case, the liberation of the supplier from the obligations that are yet to be complied with, nor will COSENTINO renounce their right to act in defence of their rights and interests.

For consignments where a fixed delivery date has been agreed, but have been completed through partial deliveries on behalf of the supplier, the invoice will not be released until the order has been completed in its entirety. Additionally, with regard to the calculation of the receipt date of the invoice, orders that do not meet the general requirements for billing or those referred to previously will not be taken into account.

## 5.- PAYMENT METHOD.

Generally, payments will be completed using the method mentioned in the corresponding order. The payment of the price on behalf of COSENTINO does not imply a declaration of conformation with the provision, nor does it waive the company's rights that, due to the provision, may be relinquished to the supplier. COSENTINO reserves the right to compensate the payments with expense items that, for whatever reason, they may have against the supplier.

## 6.- RELINQUISHMENT OF RIGHTS AND BALANCES.

The supplier cannot cede their position to third parties except in the case that they mediate an express acceptance on behalf of COSENTINO. In this sense, the supplier will not be able to realise any type of provision, charge, and/or commitment, total or partial, regarding the credit rights of the business owner, except when it has been expressly authorised in each specific case.

On its own behalf, COSENTINO will be able to freely cede its contractual position to any other entity pertaining to the same group of businesses, sufficient communication of this will be provided to the supplier for the appropriate purposes.

## 7.- QUALITY CONTROLS.

The supplier must inspect, via the relevant Control Body, those products/services liable to legal requirements (such as technical regulations, security, the environment, etc.) and/or, in each case, according to the specific conditions of each order.

COSENTINO reserves the right to carry out product inspections whenever appropriate and to request as many trials as it considers necessary in order to verify the suitability of the goods and services for each product specification. For the carrying out of inspections/trials, the costs of which will be met by the supplier, COSENTINO will have unrestricted access to the manufacturing facilities and processes.

## 8.- APPROVAL OF GOODS.

Once the goods have arrived at the location indicated to the supplier, they will be unloaded according to COSENTINO protocol, and this will mark the moment when the product will be considered to have been delivered, given that it complies with the conditions and characters agreed upon previously, reserving COSENTINO's right to return or complain if the product does not meet the indicated specifications.

The supplier will guarantee, at all times, that the goods are in suitable condition, free of defects, in line with the technical specifications agreed upon, as well as suitable and fit for purpose as expressly or implicitly recognised by the supplier, and that the goods reflect the specifications of the order.

Any element or work relating to the successful completion of the order, including assembly and installation and/or set-up, will be considered to be included as part of the delivery even though this is not expressly mentioned in this document. Whenever an element or task necessary for the correct completion of the order has been omitted from the specifications, the supplier must overcome this omission, without raising the fixed price in order to do so.

## 9.- PENALTIES FOR LATE DELIVERY AND NON-FULFILMENT OF SPECIFICATIONS.

In the case that the supplier does not meet the delivery date or the partial or definitive deadlines fixed by COSENTINO, a sanction of 0.5% of the order total will be applied for every day of delay up to a maximum of 10%.

If the goods or services are deficient in any way, irrespective of cause, in their manufactured characteristics or in their performance capacity, COSENTINO can apply a penalty equal to that mentioned previously until the supplier offers a substitute or repairs the product.

Additionally, in the case that the supplier has to repeat works and/or processes due to prior defects in order to fulfil the order, the supplier is obliged to assume the necessary costs in order to resolve said incidence.

## 10.- INSURANCE.

Notwithstanding the unlimited liability that results from not fulfilling the obligations, the supplier is obliged to, during the order's validity period, maintain at their own expense, the following insurance, to be provided by reputable companies:

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- Professional accident and illness insurance for all employees assigned to work on the order, in accordance with current regulation, to be applied at all times, including the foreign laws that apply to expatriate workers.

- Transport insurance covering the goods that make up the order, in line with the INCOTERM features agreed upon by both parties.

- Corporate social responsibility insurance, covering the employer's civil responsibility, the product and contamination by a premium adequate for the corresponding order. This insurance must be maintained in force until the end of the guarantee period applicable in each case. In said insurance, COSENTINO should be included as an additional policyholder.

In line with COSENTINO's requirements, the supplier must provide the certificate(s) for the insurance referred to previously, and failing to do so may result in termination of the supply contract.

## 11.- GUARANTEE PERIOD.

The supplier guarantees the products and/or services delivered to COSENTINO against all defects, be they hidden or visible, design- or manufacture-related, for a period of two years from the delivery date or the date the service is provided, or from the moment of discovery when a hidden fault is concerned. During the guarantee period the supplier is obliged to replace or repair the elements shown to be defective. The repair/replacement costs will be met exclusively by the supplier.

In the case that the repairs or adjustments are not completed in the time specified by COSENTINO, they may be completed by COSENTINO, or by a third party, the supplier being liable for the costs generated, and the guarantee period not being terminated in any case.

When it is required by COSENTINO the supplier must guarantee a minimum amount of backup stock necessary to secure the product/service delivery.

## 12.- SENDING AND RECEIVING CONDITIONS.

When necessary for the execution of an order, all packets, boxes, parcels, etc. must have adequate packaging for their transport and storage, the supplier being responsible for any damage that occurs due to inadequate protection of goods.

The materials must be accompanied by a delivery note detailing the goods included in the order, and the order number to which it corresponds must be clearly visible.

## 13.- TAXES.

Where domestic products are concerned, COSENTINO will pay VAT at the relevant tax rate.

Where foreign goods are concerned, tax will be applied in the following manner:

- The supplier will meet the cost of all taxes, charges and levies of the country of origin of the goods, and of those that the goods pass through until they reach their destination, including taxes that can be applied in Spain to the profits resulting from such sales.

- COSENTINO will assume responsibility for VAT, import duty and customs costs of the imported products, except when the INCOTERM regulations agreed upon stipulate differently.

The parties are obliged, reciprocally, to exchange all necessary documentation pertaining to the correct settlement of applicable taxes.

## 14.- INDUSTRIAL AND INTELLECTUAL PROPERTY RIGHTS.

The supplier irrevocably guarantees COSENTINO that they hold the necessary patents, licences and other industrial and intellectual property documentation required to complete the

order. In the case that, due to the lack of any of the licences referred to previously, COSENTINO experiences any difficulty or suffers damages in the usage of the goods and/or services supplied, the supplier must indemnify COSENTINO against any demand, refund, cost, responsibility, sanction, expense, loss, or professional fee that implicate COSENTINO as a consequence of failures attributable to the supplier.

## 15.- SETTLEMENT.

The causes of settlement set out in the contractual agreement are as follows:

- Death or incapacitation caused by the supplier or the cessation of legal status in the case of legal persons.

- The failure of the supplier to fulfil any of their obligations.

- The verification on behalf of COSENTINO of any failing, by action or omission, relating to the observation of fiscal regulations, Social Security, workplace risk prevention, or the failure to accredit the subscription to and payment of the obligatory insurance premiums in order to comply with the corresponding section of these General Conditions.

- The requesting of tender, voluntarily or forced, from the supplier or any other circumstance that might question the solvency of the Supplier.

In case of failure to comply, COSENTINO reserves the right to communicate the complete or partial recession of the purchase order or, where appropriate, the partial or complete suspension of the delivery. In any of the preceding situations, sufficient formal notification will be provided to the supplier.

## 16.- FORCE MAJEURE.

Causes of force majeure will only be considered sufficient to relieve the parties of their obligations in the following conditions:

- Natural disasters that have been officially declared to be so.
- Damages caused by wartime violence, terrorist attacks, uprisings or revolts.
- Legal strikes that exceed the business domain of the supplier and whose termination does not depend on them.
- Inability to access delivery points due to official closure of the various possible access routes.

## 17.- COMPLIANCE.

In the realisation of their business and their relationship management, COSENTINO complies with the highest legal and ethical standards as recognised in its Code of Ethics and Conduct which is available to the supplier. The supplier will have stated that they have access to this and is committed to complying with these same principles in the realisation of their business activities and in the management of their third party relations.

In particular, the supplier agrees to:

- Abide by all anti-corruption laws, statutes, regulations, codes and policies applicable to the fight against corruption in whichever jurisdiction. Abstain from giveaways, making offers or promises that could corrupt or intend to harm, directly or indirectly, authorities belonging to international organisations, or any public official or employee of international, national or local institutions or businesses, be they public or private, or in their interest or in the interest of any other third party with the aim of provoking an action or omission in their public functions with the goal of obtaining or maintaining a binding contract or other illegal benefit or in favour of or stemming from any other relevant persons in relation to the negotiation of contracts, the granting of licences, permits or other public or private authorisations.

- Adopt all reasonable methods in order to avoid that third parties, under their control or influence, or acting in their name make demands or propositions of this nature, to the officials and executives previously mentioned.

- Comply with money laundering and terrorism financing prevention regulations. To this end, they must state that all resources used in the execution of the present contract, such as their incomes, result from legal activities. Equally they must declare that they cannot be found to have negative records on national or international money laundering prevention and/or terrorism financing lists, nor can they be found to have incurred either of the two asset laundering categories (conversion or movement).

- Guarantee that their practices and operations respect the fundamental human rights and liberties in accordance, as a minimum, with the International Declaration of Human Rights and the principles relative to the eight fundamental conventions of the International Labour Organisation (ILO). Equally, the supplier will be responsible for the adoption of and compliance with Security, Health and Workplace Risk Prevention Regulations in relation to the protection of: child and women's labour; equal opportunities; discrimination prevention; abuse and harassment; freedom of association and representation; forced labour; hygienic working conditions; as well as current legislation on salaries, pensions, social security, insurance and tax contributions, etc., in relation to all employees with any involvement in the execution of the contract required by current legislation and it must be assured that these regulations are adequately enforced throughout the entire supply chain.

- Adopt adequate measures to guarantee compliance with the environmental obligations required by current legislation.

- Establish and maintain the control mechanisms necessary to ensure the compliance of their executives, administrators, officials, employees, agents or any other individual who acts in the company's name, directly or indirectly, with the applicable regulations and principles.

- Inform COSENTINO immediately of any action that breaches the regulations and principles mentioned in this document.

- Upon COSENTINO's request, the supplier must prove that they are complying with the regulations and obligations established in the present clause, and to this end, COSENTINO reserves the right to implement verification and monitoring measures which reserve the company's right to request from the supplier copies of all documents that they deem necessary.

If the supplier fails to comply with the regulations and ethical principles mentioned in this present clause, COSENTINO reserves the right to automatically rescind this contract and to remain free from their commitments and obligations to the supplier. Additionally, the supplier must maintain liability and indemnify COSENTINO against all possible consequences of their non-compliance. COSENTINO reserves the right to carry out any other legal action that they deem necessary.

## 18.- SETTLEMENT OF DISCREPANCIES AND DISPUTES.

The relationship between COSENTINO and the supplier will be regulated by Spanish law. The parties will seek an amicable resolution for all discrepancies that arise during the execution of the contract, and with an express waiver of any other jurisdiction that might apply to them, they will submit to the court of law of the city of Almería.

## 19.- ORDER OF PRECEDENCE.

In the case of a contradiction between these General Purchase Conditions and the specific conditions that have been agreed with the supplier, the latter will predominate.