

SUPPLIER CODE OF CONDUCT and CONDITIONS AND TERMS FOR SUPPLY



1. SUPPLIER CODE OF CONDUCT

AMES expects from all its Suppliers an ethical behavior and therefore a compliance with the laws of the countries in which they operate, the application of policies contrary to any practice of corruption or conflict of interest, and that they carry out their activity applying principles of fair competition and antitrust. Likewise, Suppliers must have a channel for receiving and handling complaints about possible breaches of the above points that guarantees the protection of informants against any type of retaliation.

Therefore, Suppliers must take into account the aspects listed below:

1.1 Collaboration for responsible material sourcing

AMES cannot supply or use products made from raw materials which, in order to obtain them, may contribute to the violation of human rights or other ethical misconduct and, therefore, requests its Suppliers to take the necessary measures to ensure that the products they supply strictly comply with this principle, especially if such products may contain tin, tungsten, tantalum or gold (Conflict Minerals).

1.2 Fight against corruption

Suppliers are expected to reject all corrupt practices and behaviors, both in the commercial relations established and in the procedures carried out with the public administrations of the countries in which they operate.

No person of the Supplier or acting on behalf of the Supplier shall accept, give or offer bribes, inadmissible donations or improper benefits within the scope of such relationships.

1.3 Conflict of interest

Individuals of the Supplier who have a personal interest in any AMES company shall refrain from making decisions that affect that company.

1.4 Financial accountability. Accurate records

No Supplier's documents shall be falsified or improperly altered. The financial officers shall ensure that all transactions are legal and have passed the expected internal controls.

1.5 Fair competition and antitrust laws

Business aspects and decisions will be based on fair competition practices and strict observance of existing competition and antitrust laws.

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1.6 Human Rights and Labor Conditions

As stated in point 2.15 of the Terms and Conditions of Purchase (Mandatory and Legal Requirements), Suppliers shall not use child labor or engage in any form of slavery, forced or compulsory labor, or human trafficking. They shall respect all labor rights of their workers with respect to contracts, wages and benefits, hours of work or freedom of association and collective bargaining, and shall not discriminate in any way.

1.7 Young workers

Only persons who meet the minimum legal age established by law in each country will be hired. Likewise, persons under 18 years of age, or under the age established by law as young workers, will be subject to the limitations established by law regarding overtime or night work.

Apprenticeship or internship programs for students shall be carried out in accordance with the requirements established by applicable laws and regulations, keeping the necessary records to protect their rights.

1.8 Salaries and wages

All individuals will receive a wage statement/receipt that includes adequate information to verify the compensation received for work each pay period. This compensation must be in accordance with all legal requirements, including minimum wage, hours of work and overtime.

1.9 Health and Safety

All information related to the safety and health of people and emergency procedures must be personally communicated and posted in each work center in a language that the worker understands. Also, the necessary personal protective equipment shall be provided and easily accessible. Training in machinery, equipment and safety will also be provided as required for each work station.

Emergency exits, fire detection systems, alarms and firefighting equipment will be properly installed and operational at all times.

All workplaces will have to be perfectly adapted to people by application of ergonomic principles.

1.10 Harassment

Any form of harassment that a person may suffer, including sexual harassment, physical coercion or verbal abuse, must be brought to the attention of the HR department immediately so that it can be acted upon. It is the responsibility of everyone at the Supplier to ensure that such situations can never occur.

1.11 Discrimination

The Supplier's personnel shall not suffer any discrimination based on gender, age,

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religion or belief, territorial origin, nationality, political affiliation, sexual orientation, marital status or any other condition that could give rise to discrimination.

1.12 **Environment**

The different work centers where the supplier carries out its activities shall have the permits, licenses, inspections and reports required by the law of the country for the development of its activity. These shall be up to date and available for review at any time.

The supplier shall take actions to improve its environmental performance and energy efficiency. It shall reduce the use of natural resources (raw materials and water) and choose, as far as possible, alternatives with a lower environmental impact. This also includes reducing atmospheric emissions, especially greenhouse gases, wastewater discharges and waste generation, always prioritizing reuse and recycling.

In addition, it shall actively work to limit and restrict the amount of chemicals used, also selecting chemicals with less risk to health and the environment, whenever possible.

2. **TERMS AND CONDITIONS OF PURCHASE**

2.1 **General Provision**

These general conditions of supply are the only ones that apply in their entirety to any order placed by AMES. Any variation of the same or any new additional clause to be introduced must be subscribed and signed by both parties (Supplier and AMES).

The acceptance of the order by the Supplier shall automatically imply the acceptance of these general conditions.

2.2 **Orders and order acknowledgments**

Only orders issued by the AMES Purchasing Department by e-mail to the e-mail address(es) agreed for this purpose shall be recognized as valid. Unless an exception is made and accepted by mutual agreement between AMES Purchasing Department and the Supplier, all e-mails concerning AMES purchase orders shall contain a link address that allows the Supplier to download the file with all the information of the order. The order and these General Conditions of Purchase shall be deemed to have been accepted by the Supplier if no notification to the contrary is received within a period of 24 hours. Any change shall only be valid through the modification and resubmission of the same modified order or through the cancellation and edition of a new order, always prevailing the rest of the conditions of the initial order that have not been the reason for this modification.

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2.3 **Change management**

The Supplier shall give sufficient advance notice of any planned change in the design, process or place of manufacture of the ordered product. No modifications will be accepted without the express written consent of AMES.

2.4 **Confidentiality of technical documentation**

The drawings and/or documentation supplied by AMES to the Supplier shall be the exclusive property of AMES, and under no circumstances may they be communicated to third parties, unless expressly authorized in writing by AMES. The Supplier, upon request, shall provide AMES with all documents associated with the tasks related to the order.

2.5 **Services**

In case of contracting Services at an agreed price, it shall be mandatory to attach to the invoice the proof of the Services performed duly signed by the person designated by AMES.

If this requirement is not met, AMES will proceed to return the invoices.

2.6 **Subcontracting**

The Supplier may only subcontract, in whole or in part, the execution of an Order with the express written authorization of AMES. In any case, the Supplier shall assume full responsibility for the performance of the subcontracted companies and shall return to AMES -together with the copy of the Order and prior to the start of the work- all the documentation required by AMES.

2.7 **Work tools**

Unless otherwise agreed, the tools, machinery, auxiliary means and protective equipment necessary for the correct execution of the works derived from the order shall be for the Supplier's account.

2.8 **Execution control**

AMES shall have free access to the Supplier's premises and those of any subcontractors in order to inspect the correct execution of the works derived from the order in all its phases without such inspections implying any acceptance of the works carried out.

2.9 **Delivery, transfer of risks and expenses**

The delivery of the Products and/or the provision of the Services shall be made on the date and at the place indicated in the Order. In case of doubt, the Supplier shall consult with its contact person.

AMES reserves the right to change the established schedule, time and place of delivery and/ or performance when circumstances so require or make it advisable.

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All Products to be supplied shall be stored, packed, loaded and transported under the terms and conditions specified in the Order or the current conditions previously agreed between both parties. All other situations shall be handled in accordance with normal trade practices and usages.

AMES will always value proposals for more sustainable packaging and/or shipments.

No charge for packaging or any modification of packaging will be accepted without prior formal agreement by AMES.

Unless otherwise stated in the Order, the costs of transporting the Products to their final destination and the consequent insurance of transport, loading and unloading of the Products shall be borne by the Supplier.

Once the Products have been delivered to AMES, it shall be understood that the ownership and the risks of deterioration and destruction of the Products have been conveyed to AMES.

The receipt of the Products by AMES shall not imply acceptance of the quality of the Products. The receipt of the Products shall be provisional for the duration of the verification period, being the return, if any, at the expense and risk of the Supplier.

2.10 Prices and terms

The price of the Products and/or Services and the terms of payment shall be those fixed in each case in the Order.

The prices shall include all contracted items, except for any taxes that may accrue.

The price of the Products and/or Services shall be fixed and shall not vary during the term of each Order.

Payment shall be made by transfer from AMES under the terms set out in the Order, subject to compliance with the conditions agreed between the parties and the results of the reception control. In any other case, AMES' General Terms of Payment shall apply, being 45 days from the date of invoice, payment days 1 or 15 of each month.

Any advance payment must be accompanied by a bank guarantee from the Supplier for a value equivalent to the amount to be paid, unless expressly agreed between the two parties and indicated in the Order.

Expenses arising from the guarantees shall be for the Supplier's account.

2.11 Penalties for delays

Failure by the Supplier to comply with the delivery date and quantities established in the Order, except in cases of force majeure provided by law, shall result in the automatic application of a penalty for delay which, unless expressly agreed otherwise, shall be 1% of the total amount of the order for each week or fraction thereof of delay, up to a maximum of 15%.

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2.12 Invoices

Invoices shall be submitted by the Supplier in an auditable form, which complies with applicable laws, generally accepted accounting principles and AMES specific requirements and shall contain the following minimum information:

- Individual invoice number
- Purchase order number
- Supplier's name and address
- Tax/VAT identification number of AMES entity
- Supplier's VAT/Tax ID number
- Quantity
- Specification of goods and/or services
- Price (total quantity invoiced)
- Currency
- VAT or tax amount
- Authorization number of the approved exporter and/or authorized economic operator and/or other customs identification number, if applicable
- Payment terms and payment date

Invoices should be sent by e-mail to efactura@ames.es.

2.13 Warranties

The Supplier shall guarantee the quality of the product supplied for a minimum period of 24 months from the effective and complete delivery of the order including spare parts and accessories. Any expenses arising from modifications, repairs or replacement of defective parts shall be borne exclusively by the Supplier, who shall also undertake to replace them as soon as possible. The Supplier shall also be liable for any expenses incurred for loss of production resulting from the supply of defective or late Products or Services.

2.14 Order cancellation

AMES may cancel the order at any time, either in whole or in part, and shall notify the Supplier in writing. Upon receipt of this communication, the Supplier shall stop all work related to the order and shall use all means at its disposal to cancel pending orders and subcontracted work. Payment for work completed or in the process of completion at the time the Supplier receives the cancellation order shall be negotiated between the Supplier and AMES on an equitable basis.

2.15 Mandatory and legal requirements

By accepting the order, the Supplier undertakes to comply with all applicable mandatory and legal requirements. As well as, not to use child labor, not to be a participant in any form of forced labor or human trafficking and to respect labor

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rights with respect to any type of discrimination, contracts, wages and benefits or working hours.

The Supplier undertakes not to supply AMES with products from countries that are sanctioned for terrorist activities, drug trafficking or any other actions that the governments of the countries in which AMES operates consider.

The Supplier shall have a channel for the reception and treatment of complaints for possible breaches of the above points that protects the informants from any kind of retaliation.

2.16 **Jurisdiction**

These General Terms and Conditions and those agreed in writing are governed by Spanish law.

The signatory parties, expressly waiving the jurisdiction and domicile that may correspond to them, submit to the jurisdiction of the Courts and Tribunals of Barcelona, for any matter that may arise from the interpretation, fulfillment or breach of the orders object of this contract.

2.17 **Confidentiality**

All information communicated by AMES to the Supplier shall be treated confidentially by the Supplier and shall be used solely for the proper performance and supply of the goods and services covered by the order. No information obtained may be disclosed by the Supplier to third parties, except with the express written consent of AMES. In the event that the Supplier subcontracts all or part of the execution of the order, it shall be liable to AMES for compliance with this clause by the subcontractor.

2.18 **Safety at work**

The Supplier shall establish, at its own expense and regardless of the work to be performed and the time spent on it, the necessary means to comply with the legal requirements regarding safety at work and coordination of business activities.

2.19 **Environment**

It will be necessary for the Supplier to undertake actions to improve the environmental performance of the Products and/or Services it supplies: reducing energy consumption, atmospheric emissions, wastewater discharges, waste generation, etc. It shall also limit and restrict the amount of chemicals used.

It shall appoint an environmental manager and strictly comply with the environmental regulations in force, informing the workers involved and subcontracted companies. All waste will be handled by authorized waste managers and transporters. AMES may at any time request records relating to waste management.

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2.20 REACH

AMES shall assume that any substance, preparation or article contained in any Product supplied by the Supplier shall be properly pre-registered or registered. In the event that the Supplier does not comply with the legislation in force concerning Reach, it shall inform AMES, immediately in writing and prior to shipment, in order for AMES to act accordingly. If what is described in this article is not complied with, either by ignorance or omission, AMES shall not be held responsible for such purchase and its possible affectation before the REACH legislation.

2.21 Identification and traceability

Any Product supplied to AMES must be properly identified. The Supplier must ensure full traceability of the batch of material used, of the production machine, of the controls carried out and of those responsible for releasing the Product.

2.22 Documentation

AMES may at any time request a copy of all documentation generated by the Supplier in connection with the execution of the Order. In case of purchase, takeover and/or any other change of the Supplier's legal personality, the Supplier shall deliver to AMES all the documentation deriving from such change. Furthermore, the Supplier is obliged to store for a period of 15 years all information relating to the projects ordered by AMES.

2.23 AMES Group companies

The AMES Group or AMES is understood to be any of the companies comprising it, being the same: 15 años toda la información relativa a los proyectos que le hayan sido encargados por AMES.

- AMES Group Sintering, S.A – A083826999
- AMES Barcelona Sintering, S.A. - A08118234
- AMES Hungaria Kft. - HU-24325668
- AMES Medical Prosthetic Solutions, S.A.U. - A67189597
- AMES Montblanc Sintering, S.A. - A43018951
- AMES Monterrey S.A de C.V - AMO-971002-EE5
- AMES PM Tech Center, S.A.U. - A67168328
- AMES Powder Metal (Wuhu) Co., Ltd. - 91340200336440755M
- AMES Reese Inc. - 23-2867179
- AMES Sintering Co - 36-3242018
- AMES Solsona Sintering, S.A. - A58593575
- AMES Tamarite - A63868368
- AMES Tooling S.A. - A08574725
- AMES-CMA, S.A. - A65322505
- AMES-PORE Filtration, S.L. - B16685042

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2.24 Data protection

In accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, the Supplier is informed that the data obtained for the formalization of the business relationship maintained with the companies of the AMES group, as well as the information obtained during the development of the present, are part of the information systems of AMES, and will be processed solely to manage the established business relationship and the billing of the services provided.

The Supplier has the right to access their data, rectify inaccurate data or request their deletion when they are no longer necessary. All this by writing to AMES Group Sintering, S.A. Ctra Laureà Miró 388 08980 Sant Feliu de Llobregat (Barcelona, Spain) or via email to data.protection@ames.group

A handwritten signature in black ink, appearing to read "C. Molins", with a long, sweeping horizontal line extending to the left.

Dr. César Molins
General Director of AMES

Rev. 1

This policy will be available to any interested party: Customers, Suppliers, Administration, Local Bodies and Entities, etc. through the AMES website www.ames-sintering.com