

## 1. Scope of Application and Object

- These General Terms of Purchase shall govern and will apply to all Purchase Orders aimed at the acquisition of equipment and services by VEOLIA WATER SYSTEMS IBÉRICA, S.L. (hereinafter, VEOLIA), excluding any others that may be established or invoked by the SUPPLIER.
- These General Terms of Purchase will be considered as accepted by the SUPPLIER upon confirming receipt and sending the corresponding signed Purchase Order.
- The object of the Purchase Order is the order from VEOLIA to the SUPPLIER and the latter undertakes to execute each one of the contracted units and comply with the technical documentation provided by VEOLIA as well as the regulations in effect for the established and settled price.
- Unless otherwise expressed, the Purchase Order and annexes thereof are the only valid documents regulating the relations between the parties.
- For all purposes related to the Purchase Order, the SUPPLIER shall consider VEOLIA the sole and exclusive valid interlocuter.
- The parties hereby declare the prices offered, compliance with the qualities and specifications required for the execution of the work and the materials contracted, completion deadline and payment terms proposed were all decisive in choosing the SUPPLIER.
- The person signing the Purchase Order on behalf of the SUPPLIER hereby declares having the necessary legal capacity to execute the Purchase Order and to bind the Companies on behalf of which he/she is acting herein in virtue of said document.

## 2. Definitions

For greater clarity and understanding of these General Terms, the following terminology is hereby established:

- **CLIENT:** The developer or final owner of the project or company which has commissioned VEOLIA to supply the good, product or service which is object of the Purchase Order through the SUPPLIER.
- **VEOLIA:** VEOLIA WATER SYSTEMS IBÉRICA, S.L., which is acting herein as the buyer in each purchase or supply of a good, product or service.
- **SUPPLIER:** the natural person or legal entity which is awarded a contract for the purchase or supply of a good, product or service object of the corresponding Purchase Order.
- **Day:** unless otherwise expressly indicated, it shall be understood as a calendar day.
- **Procurement Management Process:** the process that includes needs specification, negotiation, contract awarding and the issuance of the Purchase Order.
- **Request for Offer:** the set of documents issued by VEOLIA including the necessary requirements of any kind so the Supplier may supply the good or product: Special specifications, technical specifications, etc. In a broad sense, the group of documents that establishes the contractual conditions to be established by and between the SUPPLIER and VEOLIA.
- **Special Terms:** the set of documents issued by VEOLIA establishing the specific terms and conditions for each specific case concerning the relationship between the parties, any exceptions or nuances with regard to these General Terms or other documents included in the contractual documentation.
- **Offer:** The documentation delivered by the SUPPLIER to quote the terms of the request for offer.
- **Purchase Order:** The formal document issued by VEOLIA and addressed to the SUPPLIER to execute the contractual relationship between the parties which lists the prices, deadlines quantities and other conditions for the purchase or supply of a good, product or service. For all matters not expressly indicated on the Purchase Order, the annexes to it shall apply. For the purposes of these General Terms of Purchase, any reference to the Purchase Order shall include the set of such documents. These General Terms of Purchase will also be considered an integral part of the Purchase Order.
- **VEOLIA Project Manager:** The person responsible for the project on behalf of VEOLIA and the only valid interlocuter with VEOLIA for the SUPPLIER in relations to any matter concerning the Purchase Order unless the Project Manager designates and authorises another person.

## 3. Preliminary Rules

- Only Purchase Orders published on official VEOLIA forms, duly signed by the Issuer, will be considered valid.
- In exceptional circumstances where an order is advanced due to an urgent need, the SUPPLIER will be required to claim the formal Purchase Order within a maximum of ten (10) days.
- The SUPPLIER must acknowledge receipt and acceptance of the Purchase Order within a maximum of seven (7) days from the date of issue of the Purchase Order.
- In any case, the start of the work to comply with the Purchase Order will be considered absolute acceptance of these General Terms of Purchase and the special terms reflected on it even if the duly accepted copy has not been returned, which will be an essential requirement for all payments.
- Considering the acceptance of the terms established, it constitutes the entire agreement by and between the SUPPLIER and VEOLIA and may not be modified unless agreed in writing. Thus, any other clause or conditions not reflected herein will neither be valid nor enforceable.
- The SUPPLIER hereby declares that it is a company that specialises in the work to be done, is interested in doing the work and has all the knowledge necessary to complete the work contracted such as building specifications, drawings, terms of reference, technical specifications and, in general, all documentation relating to it and believes such documentation is adequate for the completion thereof.
- By accepting the Purchase Order, the SUPPLIER expressly declares that it is not subject to any of the causes established by law prohibiting this contracting, that it is not in a situation of insolvency, suspension of payments or a creditors' arrangement either from an accounting or procedural perspective and that it has not breached any contract with VEOLIA and is not involved with any proceedings or lawsuit of any kind with it.

## 4. Description of the supply and/or the work

The work contracted from the SUPPLIER consists of the provision and/or execution of the work described in the Purchase Order.

## 5. Purchase Order Documents

The following documents will be a part of the Purchase Order and will be considered contractually binding just as those included upon any modifications or agreements between the parties. If there is any contradiction or ambiguity between the documents included in the Purchase Order, the order of priority thereof shall be as follows:

- Purchase Order\*
- Annex: Contract by and between VEOLIA and the SUPPLIER \*\*\*
- Annex: Special Clauses \*\*\*
- Annex: VEOLIA General Terms of Purchase (this document) \*
- Annex: Itemised quote. Scope and Quantities \*\*\*
- Annex: Schedule of Work and Supply Deadlines \*\*\*

- Annex: Technical documentation \*\*\*
- Annex: Inspection points programme (IPP) \*\*\*
- Annex: SUPPLIER Offer\*\*\*

\* Documents that must be a mandatory part of the Purchase Order.

\*\*\* Documents to be included as an integral part of the Purchase Order if the VEOLIA Procurement Department deems appropriate.

For the purposes of the Purchase Order, no written statements from the SUPPLIER returned to VEOLIA or in the general clauses or special clauses will be considered valid. All matters considered by the SUPPLIER are included and printed on the Purchase Order or in the special clauses.

## 6. Delivery method and deadline

- The date of delivery established on the Purchase Order shall be fixed and definitive. The SUPPLIER may not delay the date of completion without prior agreement from VEOLIA.
- If any of the delivery periods are not met, VEOLIA reserves the right to partially or fully cancel the Purchase Order without any compensation of any kind from it or agree to a new deadline without prejudice to filing any legal actions applicable irrespective of whether the SUPPLIER previously communicates the delays or not and irrespective of any penalties that may be applied.
- The SUPPLIER may not use the non-receipt of any documents, components or any other type of supply or assignment by VEOLIA as an exculpatory circumstance for any delay unless claimed in writing at least ten days in advance.

## 7. Packaging, labelling and delivery conditions

- Unless otherwise established on the Purchase Order, supplies will be considered complete at their destination, DDP incoterms.
- Included in the price is all adequate packaging for the material as well as transport to the destination.
- The materials contracted and the associated documents object of the Purchase Order will be delivered at the place indicated on it.
- Unless agreed in writing by and between the parties, the enjoyment and risk of the material will pass to VEOLIA upon receipt and acceptance.

### 7.1. Packaging

- The SUPPLIER will be liable for providing its equipment with the adequate packaging so it reaches the destination in perfect conditions. Therefore, the packaging must protect the equipment against blows, rain, hail, wind and sea transport conditions to the extent necessary.
- Flanged connections, tabulators and openings will be adequately sealed to prevent the entry of foreign matter, dirt, rain and any deformation due to unexpected blows.
- Before packaging, all internal and external surfaces shall be cleaned of metal residue, rust, shavings, splashes, oil, grease, organic matter, loose particles and any other foreign or potentially harmful matter.
- The parts subjected to hydraulic testing and operational testing will be completely drained and dry before packaging.
- The packaging must be such that the materials are duly protected from damage and corrosion during transport and any later planned storage.
- The SUPPLIER will be liable for any imperfection caused due to inadequate packaging.
- When special care is necessary during unpacking, this must be communicated to the SUPPLIER in advance.

### 7.2. Labelling

Once labelled for shipment, the Equipment shall be affixed with the following information:

- Purchase order no.
- Project Name
- Consignee
- SUPPLIER
- Packing list number
- Equipment TAG
- Dimensions
- Net weight
- CUSTOMER Name
- Delivery address

### 7.3. Delivery

- The supply delivery conditions will be as indicated on the Purchase Order.
- The SUPPLIER will ask VEOLIA for the corresponding authorisation to deliver.
- Any special handling and/or storage instructions shall be sent to the Shipping Address at least 15 days before delivery.
- Materials will be delivered along with the corresponding delivery notes which will not include the agreed unit or total prices.
- The delivery notes will be signed by authorised or delegated VEOLIA personnel although said signature will only be valid as concerns the quantity of material supplied, never as automatic approval of the quality thereof, pursuant to the terms of the Purchase Order.
- The material will be considered delivered upon receipt in full satisfaction of not only the material, but also all drawings, testing protocols, parts lists, user manuals, instruction booklets, lists of recommended replacement parts with their prices and any other requirements requested on the Purchase Order.

## 8. Quote

- The total sum of the contract will be as indicated and itemised on the Purchase Order or, as applicable, as reflected on the annex to the Purchase Order forming an integral part thereof.
- The quantity of work contracted and the prices are as indicated on the Purchase Order or, as applicable, on the annex thereto.
- Two types of contracting shall be considered:

- Flat fee contracting (by default).

- Unit price contracting

### 8.1. Flat fee contracting

- Unless the Purchase Order expressly indicates that the quote will be valued as per the actual quantity applying the unit prices (see section 8.2), the overall sum contracted will be considered as fixed and not subject to any adjustment of any kind.
- Based on their exhaustive and detailed study of the work to be done, the SUPPLIER assumes all risks, mainly measurements, and agrees that the contracted quote includes all work, materials and actions necessary for the proper completion and delivery of the work contracted in working conditions.

### 8.2. Unit price contracting

- Only if expressly indicated on the Purchase Order, the final sum contracted may be the result of multiplying the number of units actually completed by the unit prices indicated. These prices will be non-variable and under no circumstance subject to adjustment. In such case, the quantities of work to be done expressed on the Purchase Order will be approximate meaning no variation will affect the prices, which will be considered fixed for the total duration of the work.
- In any case, the SUPPLIER is required to execute the work in a higher or lower volume based on the job needs and as indicated by VEOLIA.
- Any such excess or shortage in the work in comparison to the work quantity listed on the Purchase Order will exclusively involve payment of the work completed pursuant to the prices agreed without any other temporary or compensatory effect for the SUPPLIER, not even a loss of business or profits for the SUPPLIER.

If the Purchase Order expressly indicates that the final sum contracted may be the result of multiplying the number of units actually completed by the unit prices indicated, the work must be measured based on the following order of priority:

- The definition of the unit price.
- Special clauses.
- The theoretical quantity actually executed deduced from the project drawings.
- The provisions of the Terms of Reference under quantities and payment.
- The VEOLIA Project Manager and the person authorised by the SUPPLIER will jointly measure the units of work actually completed each month and, as applicable, will deliver the time sheets completed.
- If they do not reach an agreement and since the payments are considered on account in view of the final liquidation, only the units they agree on will be paid. The other units will be negotiated and paid upon the following measurement or upon liquidation of the work.

### 8.3. Unit prices

- The Prices agreed listed on the Purchase Order are firm, fixed and may not be adjusted for any reason throughout the contracted provision.
- The itemised unit prices per work units will be included on the Purchase Order and may be reflected in Annex.
- Clauses that imply price variations for any concept will only be valid if explicitly accepted by VEOLIA.
- Even if not all the work required for complete and correct execution is specified in the prices, all of this work is presumed included in said unit prices for the unit and, therefore, none of it will be invoiced separately or lead to contradictory pricing.
- The SUPPLIER hereby declares that their prices offered include all possible financial expenses and interest that may be involved with the payment method agreed and that their provisions will only be invoiced once made available to VEOLIA.
- In any case, the prices include the following as they are payable by the SUPPLIER:
  - The provision and transport of materials and equipment to the job site.
    - The provision of the necessary labour for perfect execution and completion of the work with all corresponding expenses (burdens, per diems, transport, insurance, etc.).
    - The machinery and tools used to do the contracted work.
    - Quality control documentation, certificates and testing
    - Manuals and instructions
- In addition, the prices are considered to include the following if the SUPPLIER uses personnel on site to complete the work:
  - Auxiliary safety materials and resources.
  - Supervisory personnel on site with the power to receive and execute with full liability any orders or instructions received from VEOLIA, who reserves the right to recuse said representative for justifiable causes.
  - Facilities and systems for personnel, machinery and material.
  - The replacement of all lost or deteriorated material.
  - Unloading, transfer and hoisting of materials and accessories.
  - Cleaning and removal of debris caused by the SUPPLIER.
  - The structures or systems necessary to do the work.
  - Storage, custody and supervision of all materials, equipment and machinery available to do the work (whether stockpiled or not).
  - Possible surcharges for work on holidays or outside the habitual working hours to meet the needs of the job.
  - Downtime.
- All unit prices reflected on the quote will be maintained for any expanded work under the same conditions until completion.

### 8.4. SUPPLIER obligations

The SUPPLIER is required to execute the work object of the Purchase Order correctly, precisely and in a timely manner.

The SUPPLIER will assume all liability of all kind that the SUPPLIER may incur in related to the execution of the work object of the Purchase Order and exclusively attributable to it.

When executing the work, the SUPPLIER hereby agrees to any obligations deriving from orders given by the CLIENT to VEOLIA as the SUPPLIER is fully subrogated into them and, as a result, waives any claim relating to demands by said CLIENT with respect to the quality of the work, materials and completion deadlines.

The SUPPLIER will comply with all other obligations deriving from the Purchase Order, quite specially those when VEOLIA is considered the subsidiary or joint payer, whether they correspond to the SUPPLIER or operators it may have subcontracted.

The SUPPLIER hereby undertakes to comply with all labour and/or Social Security obligations of any kind including those relating to wages, Social Security registration, enrolment and contributions, payment of benefits, fines or sanctions or any other obligation the SUPPLIER has with its workers doing the work or service subcontracted due to this contract.

Any obligation on the party of VEOLIA of necessary fulfilment for the proper execution of the work subject of the Purchase Order must be included on it. Otherwise, it will be understood that the SUPPLIER does not need any activity or work done by VEOLIA in order to properly execute the work before the deadline.

If the SUPPLIER refuses to do the necessary work to finalise the job under the contracted conditions, VEOLIA may order a third party to execute them or do so directly. The sum of such work will be deducted from the guarantee referred to below or the sums for any concept owed at such time to the SUPPLIER, without prejudice to any legal actions that may be exercised if these sums are not enough to cover the sum of the expenses incurred for this reason.

All of the work executed by the SUPPLIER will become the property of VEOLIA even if not invoiced or paid and the SUPPLIER will only hold a credit right for the sum of the work executed in accordance with this document.

#### **8.5. Expansion of the work**

- If any expansions of the units contracted are necessary, they shall be done under the same premises and commercial clauses on the Purchase Order and at the prices agreed. If said prices do not exist, the corresponding contradictory prices must be agreed in writing prior to execution.
- If the CLIENT decides it is necessary to execute more or less work units than contracted, the SUPPLIER will be bound to such decision without any right to any claim whatsoever.
- The SUPPLIER cannot execute work units not contracted chargeable to VEOLIA. If a need arises, it must be documented and agreed on a separate Purchase Order prior to the execution of such different activities.
- For necessary expansions, the parties will sign a rider to the Purchase Order outlining said expansion of the provision.

#### **8.6. Claims**

Any claim the SUPPLIER wishes to file in relation to any incident that occurs while performing the contract must be filed within third days of the date on which the incident occurred. Otherwise, the SUPPLIER will lose all rights to file a claim.

#### **8.7. Administrative work**

No work of this type of any kind not previously authorised in writing by the VEOLIA Project Manager will be accepted and, in any case, the economic conditions for SUPPLIER administrative work must be available in advance.

#### **9. Supply and completion deadline**

- The deadline for completion of the work will be as indicated on the Purchase Order and the work will be done according to the Schedule that may be attached as an annex.
- If VEOLIA deems necessary, meetings will be held at the frequency agreed to analyse the degree of progress of the provision with written record of all compliance and non-compliance observed and establishing any appropriate corrective actions to prevent delays in the delivery deadlines contractually agreed.
- If, due to causes attributable to VEOLIA, the provisions cannot be completed by the agreed dates, the SUPPLIER will have the right to an extension of the deadline equal to the delay caused following acknowledgement by VEOLIA.
- Any variation in the deadlines for completion will have no effect on the prices.
- In the event of interruptions, paralysations or suspensions of the work not attributable to VEOLIA, the SUPPLIER will assume the consequences of such interruptions, paralysations and even temporary or definitive suspensions of the work and hereby undertakes not to claim any harm from VEOLIA except the price of the work actually done pursuant to the Purchase Order.
- The pace of the work to be done by the SUPPLIER will be as necessary for perfect coordination with the general schedule of work prepared by VEOLIA.
- If the SUPPLIER does any work with personnel on site, said personnel shall have all the personal equipment, machinery and auxiliary resources on site needed to comply with the partial, final and/or progress deadlines established by VEOLIA.
- If VEOLIA believes the pace of the work is not adequate in a view to complying with the partial or final and/or progress deadlines, it may ask the SUPPLIER to accelerate the pace thereof and the SUPPLIER shall undertake to provide the machinery, auxiliary resources and personnel requested without any right to any claim. If the SUPPLIER does not do so, VEOLIA will provide them on behalf of the SUPPLIER who will be notified of such circumstance in writing and granted 3 business days to supply such resources.
- If the SUPPLIER refuses to provide the resources required to adjust the pace of the work to the partial and final and/or progress deadlines over a period of ten days after notification, VEOLIA may choose to either extend the situation of providing the necessary resources chargeable to the SUPPLIER or rescind the contract.
- If the SUPPLIER does work with personnel on site, it may not remove personnel, production resources, stockpiled material, etc. that may alter the progress of the work from the site at any time throughout the duration of the work without prior written authorisation from VEOLIA.

#### **10. Work quality**

- The SUPPLIER must have a quality system accepted by VEOLIA to ensure its compliance with the requirements established in the Purchase Order.
- All the work done by the SUPPLIER will comply with the requirements reflected in the applicable technical documentation (indicated in the annexes "Technical Documentation" and "Inspection Points Programme" as well as in the SUPPLIER's offer).
- The SUPPLIER will be liable for Quality Control of the design, manufacture and testing of the provision contracted.
- As a specialist in the contracted provisions, the SUPPLIER hereby declares being in possession of official technical approval for the company and its employees for any work requiring such approvals and having the necessary knowledge, information and adequate documentation for its execution. Furthermore, after having examined all of the foregoing, the SUPPLIER believes it is sufficient and complete in order to perform the work.

- If the Purchase Order requires a Quality Control Programme in addition to the one used by the SUPPLIER, VEOLIA will conduct the inspections of the equipment indicated in the Inspection Points Programme included as an annex to the Purchase Order by itself or through an independent Inspection Company to be indicated at the proper time.
- The SUPPLIER will be liable for performing all tests required and submitting the corresponding certificates.
- The costs of tests, assays, certificates, etc. will be paid by the SUPPLIER as only the inspection is the work of VEOLIA or its representative.
- The CLIENT and/or VEOLIA have the power at any time to conduct as many inspections and assays they deem necessary of any element or work unit using the method they deem appropriate; however, the SUPPLIER will be exclusively liable for any assays that do not comply with the quality requirements on this Purchase Order or the general requirements in any Regulations, Instructions, Standards or General Terms.
- As a specialist in the work object of the Purchase Order, the SUPPLIER will execute the work completely autonomously and apply proper techniques of execution without prejudice to the VEOLIA Project Manager's right to ensure the final result complies with the project.
- The work will be done at the SUPPLIER's own risk and liability until the end of the warranty period.

#### 10.1. Certifications and official approvals

- The SUPPLIER hereby undertakes not to use any product in its work that does not comply with the regulations in effect as concerns CE marking.
- The SUPPLIER will provide all official approval certificates or authorisations needed for the work requiring them, issued by the competent authority and in effect.
- When requested by VEOLIA, the SUPPLIER will be required to prove the qualifications of its operators and applicable procedures including the verification, contrast and calibration of control devices, measuring for their use, certificates, scope of the work performed, documentation on testing completed, etc.
- At the frequency indicated by the VEOLIA Project Manager, the SUPPLIER will be required to provide documentation on the work completed: certificates, scope of the work performed, documentation on testing completed, etc.

#### 10.2. Deviations and Non-Conformities

- The SUPPLIER may not make any change in brands or any technical specification with respect to the materials, equipment or machines to be used without prior written authorisation from VEOLIA. Otherwise, it will be penalised with a sum that at the very least is equal to the same sum the CLIENT imposes on VEOLIA as a result plus any damages deriving from the need to replace materials, equipment or machines originally planned and without prejudice to the rescission of the Purchase Order if VEOLIA so deems appropriate.
- Any deviation from any technical requirement established on the Purchase Order will lead to the issuance of a non-conformity report with the corresponding corrective measures proposed, which must be approved by VEOLIA. This requirement will also apply to any deviations relating to documents created by the SUPPLIER once they have been reviewed and approved by VEOLIA.
- The SUPPLIER hereby undertakes to repair all defects and imperfections caused to other units due to deficient work and/or services without any cost for VEOLIA.

### 11. Payment terms and method

11.1 When invoicing, the SUPPLIER will follow these rules and will guarantee:

- All invoices will be issued to the address indicated on the Purchase Order to the attention of the Administrative Department, indicating the Purchase Order number and Project reference (number and title).
- The invoice covering payment upon acceptance of the Purchase Order shall be justified with a copy thereof, signed and stamped by the SUPPLIER.
- Advance payments will be made upon submission of a bank guarantee for a value equal to that of the payment and valid until the delivery of the equipment or materials.
- The invoice covering payment upon delivery of the materials will be justified by the duly approved delivery notes.
- The proper, exact and timely execution of the work subcontracted
- Compliance with all labour and/or Social Security obligations of any kind including those relating to wages, Social Security registration, enrolment and contributions, payment of benefits, fines or sanctions or any other obligation the SUPPLIER has with its workers doing the work subcontracted due to this contract.
- All liability of all kind that the SUPPLIER may incur in exclusively attributable to it.
- Compliance with all other obligations deriving from the Purchase Order, quite specially those when VEOLIA is considered the subsidiary or joint payer, whether they correspond to the SUPPLIER or operators it may have subcontracted.
- The payment milestones will be as indicated on the purchase order. In general, any invoice will be accompanied by the documents justifying compliance with the corresponding milestone.
- The invoices or certificates must always be original with the corresponding delivery note signed by the SUPPLIER always attached.
- The invoices will be payable on account until full liquidation of the work.
- The final invoice corresponding to the Purchase Order shall indicate that it is a "liquidation". The final completion settlement must be signed and the corresponding documentation checks must be done before said invoice can be approved.
- Receipt of the invoice does not imply approval thereof. If "acknowledgement of receipt" is required, the following wording will be included in such acknowledgement: "received and pending approval" and the date of receipt.
- Payments will be made before the deadlines established on the Purchase Order as of the date of receipt of the invoice by the VEOLIA Administrative Department.
- If the SUPPLIER or the invoices do not meet these requirements, they will be rejected by VEOLIA.

11.2 VEOLIA reserves the right to withhold and/or cancel any or all of the payments if, in its judgement, the requirements established in the Purchase Order are not met.

11.3 If the invoices submitted are approved, VEOLIA will pay the sum to the SUPPLIER through the "CONFIRMING" system with maturity as established on the Purchase Order or, in lack thereof, 60 days after the date of receipt of the approved invoice. The maturity date shall be adjusted to coincide with the 10th of the month it is due, except August when payments will be made on the following payment date or the next working day if such day is a Saturday, Sunday or holiday.

The SUPPLIER hereby declares that the contracted prices include all possible financial expenses and interest that may be involved with the payment method agreed.

11.4 Unless the Purchase Order indicates otherwise, the SUPPLIER hereby agrees that VEOLIA will withhold 10% of the value of the order from each payment as a guarantee, which may be substituted by a first-demand bank guarantee as per the attached model for a period of 24 months after completion of the work or 18 months from commissioning (warranty period), whichever is later.

## 12. Penalties

The sum of any penalties will be directly applied against the sums owed to the SUPPLIER at the time, without any further requirement than written communication thereof. If those sums are not reached, VEOLIA reserves the right to exercise any actions to receive the difference. If non-compliance persists, VEOLIA may contract the execution of the supplies and/or work with any other company and demand the SUPPLIER pay the difference when the prices of the new contract are higher than on the Purchase Order signed with the SUPPLIER. VEOLIA reserves the right to fully or partially cancel the Purchase Order as well as execute the Bank Guarantees requested of the SUPPLIER on the Purchase Order due to a breach.

These penalties will be enforced throughout the effective period of the Purchase Order and under no circumstance will a failure to immediately apply them imply a waiver thereof.

The application of the penalties does not imply a waiver by VEOLIA of any other rights that may correspond for damages under the laws in effect.

The sum of the penalties, if any, will be deducted at the time of their application from the invoices pending payment, as desired by VEOLIA.

### 12.1 Penalties for delivery delays

Non-compliance by the SUPPLIER with the partial or total deadlines indicated on the Purchase Order due to delays in the deliveries agreed or breaches of the requirements indicated on the Purchase Order documentation will give VEOLIA the right to apply a penalty equivalent to 2% of the overall sum of the Purchase Order per week of delay without any need for prior notification to the SUPPLIER.

Sanctions will not be applied for delays when they are due to causes attributable to VEOLIA or a cause of force majeure.

### 12.2 Penalties for non-compliance with technical requirements

If it can be proven that the work done does not correspond with the requirements indicated in the Purchase Order technical and quality documentation, VEOLIA may apply a penalty of up to 100% the value of the Purchase Order and never less than the sum the CLIENT may penalise VEOLIA for such reason.

### 12.3 Penalties for non-compliance with labour requirements

The SUPPLIER must prove compliance with its labour obligations to VEOLIA at all times. Any breach of the obligations listed in this clause will lead to contractual penalties pursuant to the classification and penalties established in Spanish Royal Legislative Decree 5/2000, of 4 August.

On the other hand and in accordance with the classification provided in said regulation, three minor offences or one serious or very serious offence will give VEOLIA the right to terminate the Contract without the SUPPLIER having any right to any compensation of any kind as a result of said early termination.

## 13. Acceptance of the work

- Upon delivery of the provision and/or completion of the work contracted, VEOLIA and the SUPPLIER will check them against the conditions agreed.
- If the provisions and/or work are acceptable, they will be approved, the total measurements will be taken and the definitive invoice will be issued. The warranty period shall begin as of the date the work is received by the CLIENT and VEOLIA.
- If the provisions are not acceptable, precise instructions will be given to correct any deficiencies and a period will be granted for such purpose without prejudice to VEOLIA's right to terminate the Purchase Order due to a breach by the SUPPLIER.
- If the SUPPLIER refuses to repair imperfections immediately and there is a risk to people or objects, VEOLIA may provide the supplies, services or work necessary to correct the defects with payment directly charged against any invoices pending payment and/or the withholdings from the SUPPLIER. All of this is without prejudice to any applicable legal actions that may be taken when such sums are not enough to cover the amount paid by VEOLIA on its behalf.
- The work contracted will not be considered finished until not only the services agreed have been provided and all the materials and equipment have been delivered, but also all the documents required such as the supply dossier, manuals, instructions, protocols, procedures, conformity certificates, material certificates, etc. have been delivered and all the obligations contracted have been fulfilled.

## 14. Guarantees

A breach of any of these guarantees will lead to the resulting penalty as indicated in CLAUSE 12 (Penalties) of this document.

As a guarantee for compliance with the quality guarantees made and unless the Purchase Order expressly indicates otherwise, the SUPPLIER will take out a bank guarantee in favour of VEOLIA for compliance with the work performed for a value of 10% of the total sum of the contract for a period of 24 months after provisional reception of the facility or 18 months after commissioning, whichever date is first.

The bank guarantee shall be provided as shown in the model attached as an annex to this document, it shall be issued by a leading financial institution, approved by VEOLIA and enforceable upon demand.

### 14.1 Supply Guarantees

The SUPPLIER shall guarantee the provisions by the delivery deadlines indicated in CLAUSE 9 (Supply and completion deadline) of this document. If the provision is lost and/or deteriorated during transport, the SUPPLIER undertakes to replace the provision within a period to be agreed upon with VEOLIA.

#### 14.2 Electromechanical Guarantees

The SUPPLIER hereby guarantees to VEOLIA that the provision; in other words, the materials, equipment or services of any nature supplied under the Purchase Order:

- Is brand new factory sealed
- Is free of defects in the design, labour, materials, manufacturing and operation
- Is compliant with the applicable specifications, drawings, samples or other description established

In any case, the SUPPLIER hereby guarantees that the provision is free of defects in the design, materials and execution.

#### 14.3 Assembly work guarantees

The SUPPLIER hereby expressly undertakes to subrogate as many deriving obligations and liabilities for VEOLIA as a result of the material damages to the structure caused by the execution of part of the work object of the Purchase Order and compliance with the technical documentation as per the Purchase Order and applicable regulations.

#### 14.4 Warranty Period

Unless otherwise established on the Purchase Order, the SUPPLIER will guarantee the proper execution of each and every one of the units contracted throughout a period of 24 months from provisional reception of the facility or 18 months from commissioning, whichever occurs later, by the CLIENT with VEOLIA.

The SUPPLIER will repair any defect observed during the warranty period due to installation deficiencies or inadequate repairs along with any other work affected by the repair of such defect upon receipt of written notification at no cost to VEOLIA or the CLIENT. If not done diligently, VEOLIA may complete the repair using other resources upon written notification to the SUPPLIER, deducting the cost thereof from any payments pending or the available bank guarantees.

The elements, parts, components or materials replaced, repaired or modified will be subject to the guarantees and conditions indicated in the sections above as of their replacement, repair or modification and the SUPPLIER must ensure the corresponding bank guarantee remains valid throughout the warranty period in effect for said parts, components or materials replaced, repaired or modified.

Repairs will be done on site unless VEOLIA believes the Equipment should be returned to the SUPPLIER for repair or replacement. The SUPPLIER is required to dismantle the Work to the extent necessary and assemble it. The transport of the Equipment and/or parts thereof to and from the SUPPLIER and the solutions for the defects for which the SUPPLIER is liable will be paid by the SUPPLIER.

Any disagreement between the parties as concerns the qualities of the materials supplied will be resolved by the results obtained on testing by a competent authority, which will always be designated by VEOLIA. The costs of such tests will be paid for by the wrongful party.

Once the warranty period for the works ends, the SUPPLIER will be released of all liability towards VEOLIA under the same terms and periods as VEOLIA is liable towards the CLIENT, except as enforceable under applicable law.

### 15. Insurance

The SUPPLIER will obtain and maintain all insurance required by applicable laws as well as any further insurance that may be required pursuant to the Purchase Order.

The SUPPLIER will have cover for the following at the very least:

- Full-risk insurance for goods transport when the scope of the supply so requires.
- Insurance for vehicles and passengers when travel to the Client's facilities is required.

Moreover, the SUPPLIER must provide the following if using personnel on site to complete the work object of the Purchase Order:

- Damage insurance covering the SUPPLIER's facilities
- Labour insurance pursuant to current law
- Civil liability insurance with a clause waiving recovery against VEOLIA or any organisation to which VEOLIA may transfer ownership

VEOLIA reserves the right to establish minimum cover limits per insured event for each of the foregoing insurance types.

The SUPPLIER will be liable for any accident or damage that occurs or is produced by it or its personnel throughout the performance of the work, transport of the material contracted or its personnel travel.

Until the work is definitively accepted by VEOLIA and the CLIENT, the SUPPLIER will be the sole party liable for damages of any kind, irrespective of the origin, to goods subject of the provision.

If required by VEOLIA, the SUPPLIER will allow the former to examine the original policies or provide a copy of said policies, certified by the insurance company, and proof of payment.

If the SUPPLIER does work on site, it must provide VEOLIA with a photocopy of the CIVIL LIABILITY insurance policy and receipt of payment, which will be verified against the original, before beginning the work.

Unless otherwise established on the Purchase Order, the policy will have minimum cover of 150,000 euros per insured event deriving from material damages and personal injury as well as EMPLOYER CIVIL LIABILITY with a minimum compensation of 90,000 euros per insured event or victim. The deductibles established in the policy may never exceed 12,000 euros and will always be paid by the SUPPLIER.

The SUPPLIER hereby undertakes to maintain the mentioned insurance policy in effect throughout the time it provides services for VEOLIA and will always provide the documents requested to prove the foregoing.

Not supplying the policy does not release the SUPPLIER from any of the liabilities it must officially assume due to its status as a Subcontractor or those outlined on the Purchase Order.

## 16. Force majeure

### 16.1 Definition

For the purposes of the Purchase Order, force majeure shall be defined pursuant to the provisions of Art. 1105 of the Spanish Civil Code and implementing jurisprudence. To this end, force majeure shall mean any event or circumstance which cannot be foreseen by the parties or, if foreseen, is unavoidable and directly influences compliance with the Purchase Order in such manner that it cannot be supplemented with other delay measures or in any way prevents or delays compliance with the reciprocal obligations established.

### 16.2 Consequences

Any failure or delay by either of the Parties in their compliance with their obligations pursuant to the Purchase Order owing to an event of force majeure will not be considered a breach of the Purchase Order.

If any of the parties were to suffer an impediment or delay in the fulfilment of their contractual obligations due to causes of Force Majeure, said party will be required to communicate such situation in writing to the other party within ten (10) days of the occurrence of the situation of Force Majeure, specifying in detail all events that constitute the Force Majeure and submitting sufficient proof that the fulfilment of a contractual obligation has been hindered or delayed and indicating the estimated period of time the impediment, interruption or delay will last. The affected or obliged party will be released of compliance as of the date of notification and as long as there is justification for the situation.

The party affected will do everything possible to prevent or eliminate the cause of Force Majeure. Immediately after receiving notification of Force Majeure, the Parties will contact each other and adopt the measures to eliminate or mitigate it by mutual agreement.

Any notification of the existence of an Event of Force Majeure that is not adequately sustained within 10 days after delivery of the respective notification to the corresponding Party indicating the facts and providing the supporting documentation will be considered not communicated for all purposes of the Contract.

## 17. Subcontracts

The SUPPLIERS will be subject to the terms of the Purchase Order, including for components and services received from its own suppliers, for which it will be fully liable.

The SUPPLIER may not assign or subcontract the work or part of it to third parties without prior written permission from VEOLIA and, in any case, only upon compliance with the provisions of Spanish Law 32/2006, as concerns the SUPPLIER as well as any subcontracting done within the limits established by said law.

## 18. SUPPLIER's Labour and Social Obligations

The SUPPLIER is required to comply with the provisions in effect or those that may be published at any time during the validity period of the Purchase Order relating to labour and social security pursuant to the applicable regulations, collective bargaining agreement and standards and it must have all personnel participating in the work object of this Purchase Order enrolled with the social security system and covered by an occupational accident insurance policy, the sum of which will be at least as established in the valid collective bargaining agreement. Particularly, it undertakes to comply with the provisions established in Spanish Law 32/2006, of 18 October, which regulates subcontracting in the construction sector.

If the SUPPLIER becomes indebted to the social security system or stops paying its employees or fails to comply with the requirements of Spanish Law 32/2006 at any time during the execution of the work, VEOLIA will have the right to terminate the Purchase Order and keep the withholdings and payments pending to pay any claims against it in the future from the Social Security system or the SUPPLIER's employees or the companies it may have contracted.

If the SUPPLIER does the work object of the Purchase Order on site, the SUPPLIER expressly authorises VEOLIA to withhold the invoices pending payment at any time during the performance of the work to pay the accrued salaries not received by the workers employed by the SUPPLIER on site and the companies it subcontracts or even contributions pending to the Social Security system.

The SUPPLIER has provided VEOLIA with a written statement ensuring it has adequate infrastructure and resources to perform the work object of the Purchase Order and that it directly manages it.

Moreover, the SUPPLIER has provided VEOLIA with documentation proving that it has a prevention organisation and that all personnel who provide their services for the work referred to in the Purchase Order have received occupational risk prevention training. The SUPPLIER hereby undertakes and promises to continue to comply with these requirements throughout the effectiveness of the Purchase Order as well as to communicate any modification or variation with respect to them to VEOLIA.

The SUPPLIER is liable for strict and timely compliance by its personnel with all labour, social security and occupational health and safety rules and instructions established on site.

Furthermore, VEOLIA reserves the right to terminate the Purchase Order if any inadequate, negligent or incorrect action by its personnel has been observed and is not corrected by the SUPPLIER that may compromise safety, the pace of the work or relations with the CLIENT.

## 19. SUPPLIER's Tax Obligations

For the purposes of the provisions of Art. 43.1 f) of Spanish Law 58/2003, of 17 December, General Taxation, which establishes tax liability for a SUPPLIER's tax debts, the SUPPLIER is required to provide VEOLIA with a specific certificate upon signing this contract that it is current on all tax obligations issued for such purpose by the tax administration in the regulatory manner established. Until said certificate is provided by the SUPPLIER, the validity and effects of the Purchase Order will be suspended. Compliance with this obligation is a suspensory condition.

The SUPPLIER is required to submit a new specific certificate that it is current on its tax obligations for each new annual period every twelve months as of the date of issue of the prior certificate and throughout the validity of the Purchase Order. All payment obligations on the part of VEOLIA under the terms indicated on the Purchase Order will be suspended until the new certificate is provided by the SUPPLIER.

If the SUPPLIER has not delivered the certificate mentioned in the paragraph above with the indicated content within three days after the date of the Purchase Order or three days after expiration of the twelve-month period after the date of issue of the prior certificate, in the event of a renewal, VEOLIA may unilaterally terminate this contract without such termination leading to the payment of any type of compensation in favour of the SUPPLIER.

The SUPPLIER hereby expressly authorises and empowers VEOLIA to request the certificates proving it is current on its tax obligations from the Tax Administration in its name and on its behalf. For such purpose, the SUPPLIER undertakes to sign any authorisation documents necessary or appropriate in favour of the person designated by VEOLIA. Likewise, the SUPPLIER undertakes to provide VEOLIA with the reference number (application code) provided by the Tax Administration in order to check the status of the certificate.

## 20. SUPPLIER'S Occupational Risk Prevention Obligations

The SUPPLIER is required to comply with and ensure its workers comply with all occupational risk prevention regulations and national and international legal/technical regulations with an impact on the working conditions as concerns prevention.

It hereby expressly declares awareness of the risks inherent to the work to be done and will give the highest priority to occupational risk prevention (hereinafter, ORP) criteria while performing the tasks, ensuring that the personnel under its responsibility maintain and implement the same or stricter ORP policies than those established by VEOLIA.

Before starting the work, VEOLIA will make the health and safety plan or site risk assessment available to the SUPPLIER. The SUPPLIER may adhere to the content there in or submit reasoned alternatives for approval by the Health and Safety Coordinator.

On the other hand, the following documentation will also be made available to the SUPPLIER in order to follow and respect VEOLIA's safety procedures during the field work developed for the project:

- The VWT pocket book with our minimum health and safety standards on construction sites.
- The relevant high risk management standards of VEOLIA.

The SUPPLIER will be responsible for providing all the necessary resources to comply with said regulations as applicable.

If using its personnel on site to complete the work object of the Purchase Order, the SUPPLIER promises the following:

- As the employer of all personnel used on the site to complete the work object of this Purchase Order, it will be liable to the authorities, organisations and courts for the correct application of the laws in effect, particularly labour, environmental, occupational health and safety and health surveillance laws and will be responsible for implementing them as well as for the consequences that may derive from any breach with regard to the activity contracted as well as any subcontracted activities with third parties.
- To justify compliance with all of the above at the request of VEOLIA, producing and delivering as much documentation as is requested to this end through the activity coordination procedure VEOLIA has established.
- To provide adequate and periodic training to guarantee its workers assigned to the job are properly qualified in the area of ORP and have passed the appropriate health surveillance meaning they are suitable for the work to be done.
- To ensure its workers assigned to the job have received training on the risks inherent to their work and the general risk with the corresponding preventive measures, as per the Spanish Occupational Risk Prevention Law, delivering a copy of proof to VEOLIA that the worker has been informed of the risks involved with the job and has been adequately trained to do the work safely.
- To ensure its workers assigned to the job use Personal Protective Equipment (PPEs) with CE marking, as defined in the risk assessment, the applicable Health and Safety Plan and the requirements of the laws in effect, making available a copy proving delivery thereof for each one of the workers at the site, if requested by VEOLIA.
- To design and keep a qualified officer at the site pursuant to the provisions of the law to require its workers comply with occupational risk prevention regulations as well as any legal/technical regulations that impact the working conditions as concerns prevention who will attend any coordination committee or Health and Safety Committee meetings at the site when called.
- To maintain all machinery used to do the work in perfect operating conditions with all checks done and in a perfect state of functioning in compliance with the regulations in effect.
- To supply its personnel with personal protective equipment deemed necessary for the proper and safe performance of the work contracted.
- To ensure and be responsible for the adequate use and conservation by its workers of the collective protection resources and equipment installed.
- To ensure and be responsible for using adequate alternative protection when any collective protection element needs to be removed due to work performance requirements and then immediately replace it when the situation requiring the removal disappears, always communicating such operation to VEOLIA in advance for proper coordination.
- Conduct periodic security inspections and share findings with VEOLIA.
- Communicate and investigate any accident and incident that occurs and take appropriate preventive measures immediately.
- Provide VEOLIA with information corresponding to the number of hours worked on the project and the related frequency and severity rates.

VEOLIA shall have the right to conduct ORP inspections and audits of the SUPPLIER's facilities, equipment, personnel and documentation to ensure proper health and safety management.

### 20.1. Documentation to be delivered by the SUPPLIER

At least three days in advance, upon the arrival of new workers, work equipment and/or machinery on site, the SUPPLIER must submit the following documentation:

- Designation of the Site Prevention Officer where applicable. (60-hour course minimum)
- Delivery of the Personal Protective Equipment to all workers participating in the work.
- Occupational risk prevention training, as per the construction sector collective bargaining agreement in effect; according to article 19 ORP law and/or application agreement (construction, metal, etc.) in force, and job risk information.
- Workers' health suitability certificates, with the specific protocol as per the job.
- Authorisation to Use the Machinery when applicable.
- CE certificates for all machinery to be used for the work when applicable.
- Inspections (checks and maintenance) conducted by an authorised shop or a Recognised Control Authority (RCO) when applicable.
- Registration document, vehicle technical inspection certificate, mandatory insurance (and proof of payment) and transport card, if applicable, for driven machines.
- Self-employed workers must submit the corresponding certificate.
- The document of the acceptance of used oil or equivalent contract with an authorised used oil management company when applicable.

In any case, the supplier must deliver or make available to VEOLIA as much documentation as required to carry out the coordination of activities through its document management procedure and virtual platform.

Before beginning the work and at any time required, the SUPPLIER must prove to VEOLIA through the corresponding Social Security Territorial Treasury certificate that it is current on all social security contributions in effect or that may be established and, in particular, Workplace Accident contributions. If the work contracted is started without such proof, VEOLIA will withhold all payments until the requirement is fulfilled or may choose to terminate the contract.

To verify compliance with its obligations, VEOLIA will require the SUPPLIER prove the foregoing with documentation and, if such proof is not provided, it will be authorised to withhold all payments for any concept that may correspond until proof is provided.

## 20.2. Occupational Risk Prevention Breach by the SUPPLIER

- If sanctions are imposed on VEOLIA by the competent labour authorities due to a failure by the SUPPLIER and/or its personnel to comply with the Health and Safety measures and said sanctions are not caused by anything attributable to VEOLIA, it will have the right to recovery against the SUPPLIER and may in such case deduct the sum of the sanction imposed from the quantities pending payment to the SUPPLIER.
- If, in the opinion of VEOLIA, the SUPPLIER's operations or activities are being done unsafely and contrary to the requirements of the applicable ORP standards and regulations, VEOLIA reserves the right to suspend said operations or activities and the subcontractor must immediately cease such work.
- VEOLIA may demand the SUPPLIER rectify the situation as appropriate. The SUPPLIER will investigate the alleged violation without undue delay and the suspension will continue until the violation has been cured and until the subcontractor proves it has implemented the adequate measures to prevent repeating a similar violation.
- If the SUPPLIER does not rectify a breach of the ORP rules within the period of time required by VEOLIA, the latter will have the right to rescind the Purchase Order and recover any losses and damages as a result of said breach from the subcontractor.
- All expenses, costs or losses incurred upon suspending the operations to correct the unsafe condition as well as the additional resources required by the SUPPLIER to complete the Work pursuant to the Purchase Order will be paid by the SUPPLIER.
- VEOLIA will have the right to withhold any payment from the SUPPLIER during the suspension period to correct unsafe operations.
- In the event of a breach of labour and Social Security obligations, the SUPPLIER authorises VEOLIA to directly pay the SUPPLIER's workers' salaries and social security contributions chargeable to the SUPPLIER's turnover, all up to the limit of VEOLIA's legal liability and the sum established in the Collective Bargaining Agreement in effect and applicable.
- A reiterated breach by the SUPPLIER of its Health and Safety obligations will give VEOLIA the right to withhold the payments and certifications in progress and/or terminate the Purchase Order without the SUPPLIER having any right to any compensation of any kind, all irrespective of any damages that VEOLIA may claim. Reiterated health and safety violations committed by one of the SUPPLIER's workers will force their replacement.

## 21. SUPPLIER's Environmental Obligations

If the SUPPLIER uses personnel on the site to complete the work object of this Purchase Order, it will be liable for complying with all environmental legal provisions and will be responsible for implementing them as well as for the consequences that may derive from any breach with regard to the activity contracted as well as any subcontracted activities with third parties.

When there is one, it must comply with the site environmental plan. Therefore, VEOLIA will make the corresponding part of said plan available to the SUPPLIER.

VEOLIA will not accept any claim from the SUPPLIER for losses of time due to interruptions in the work due to a breach by the latter of environmental laws or the rules in the site environmental plan.

The SUPPLIER hereby undertakes to remove all types of packaging and waste generated by its activities from the site and treat them in accordance with environmental laws.

A breach of its environmental obligations will give VEOLIA the right to impose a penalty equivalent to the sanction that would be applied by the environmental authorities for such breach.

In the event of a repeat breach, all payments and invoices in progress may be withheld and the Purchase Order may even be terminated without the SUPPLIER having the right to any compensation of any kind for any damages that VEOLIA may claim.

The SUPPLIER hereby undertakes to:

- Know, apply and comply with the environmental operational procedures and perform the work in a way that is safe for the workers' health and the environment.
- Observe all official environmental regulations in effect as well as the standards inherent to its activities and trade as the sole party liable for such compliance.
- Supply the document proving proper machinery functioning or the vehicle technical inspection certificate, industry registration and valid CE marking.
- Provide the necessary information to conduct the controls established by the VEOLIA environmental management system.
- Identify, separate and adequately manage all waste pursuant to the VEOLIA environmental management system.

The SUPPLIER hereby declares that the possible costs of a breach of environmental and sector laws in effect and the VEOLIA environmental management system are included in the price contracted and will not lead to any increase or contradictory prices.

The procedures necessary to secure authorisations, licences or permits required by environmental and sector laws in effect to exercise the SUPPLIER's activity shall be paid by said party.

VEOLIA shall have the right to conduct environmental inspections and audits of the SUPPLIER's facilities, equipment, personnel and documentation to ensure proper environmental management.

## 22. Data Protection, Confidentiality and Intellectual Property

In compliance with current legislation protecting personal data, and paying particular attention to the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (hereinafter the "General Data Protection Regulations" or "RGPD") and Law 3/2018 of 5 December on the Protection of Personal Data and Guarantee of Digital Rights (hereinafter the "LOPDGDD"), informs you that the controller is VEOLIA WATER SYSTEMS IBÉRICA, S.L. (hereinafter, "VEOLIA"), located at C/ Electrodo, nº 52, Polígono Industrial de Santa Ana, CP. 28522, Rivas-Vaciamadrid (Madrid), with CIF B-81502502, e-mail info.spain@veoliawater.com and website <http://www.veoliawatertechnologies.es/>.

You are also informed that, for the best protection of your rights, CECA MAGÁN ABOGADOS, S.L.P. has been appointed, as DELEGATE OF DATA PROTECTION (DPD), your data having been notified to the Spanish Data Protection Agency (AEPD) -, with whom you may contact through the postal address C/ Electrodo, nº 52, Polígono Industrial de Santa Ana, CP. 28522, Rivas-Vaciamadrid (Madrid) and email [dpd.vwsi@veolia.com](mailto:dpd.vwsi@veolia.com) regarding all matters relating to the processing of your personal data and the exercise of your personal rights under the RGPD.

Your personal data will be processed by VEOLIA for the purpose of managing the contractual relationship between the parties, formulating the orders and supplies that correspond in each case, as well as for the purposes of economic, accounting, billing, financial and control management in the execution of the Purchase Order.

You are informed by virtue of article 30 of the Spanish Commercial Code that your data may be kept for at least six (6) years.

The legitimate base of the treatment is, with principal character, the execution of a contract between the parts so that the lack of contribution of its information could limit or impede its correct development and execution.

In general, your data will not be transferred to third parties unless so established or imposed by law. Notwithstanding the foregoing, as VEOLIA belongs to a group of companies, you are informed that your personal data may be communicated to other companies of the same Group for mere internal administrative purposes based on the legitimate interest of VEOLIA and this is admitted by Recital 48 of the RGPD. Nor will there be, a priori, international transfers of data. In case of concurrence, these would be carried out with the due legal guarantees in accordance with articles 44 and following of the RGPD.

Finally, you are informed that you may exercise your rights of access, rectification, deletion, limitation of processing, portability of data, opposition and, where appropriate, not to be the subject of a decision based solely on automated processing, including the development of profiles, by sending a written communication via email [dpd.vwsi@veolia.com](mailto:dpd.vwsi@veolia.com), with the Ref. "Exercise Rights" accompanying your request, if necessary, copy of your national identity document or equivalent identification document (passport, N.I.E....). If you do not consider your personal rights to have been duly taken care of, you may file a complaint with the competent control authority, in this case the Spanish Data Protection Agency, although we recommend that you contact the Spanish Data Protection Agency in order to resolve the possible situation or conflict, if you so wish, with the aforementioned DPD.

Likewise, any confidential information, documentation, know-how, patents, trademarks, copyrights, procedures and any other information that may be subject to the intellectual property regime that either of the Parties makes available to the other during the execution of the Purchase Order shall remain the property of the Party that makes it available; neither party shall acquire any type of right over the Intellectual Property of the other. If the case and according to the Purchase Order, the SUPPLIER will grant VEOLIA the non-exclusive and free right to copy, use and communicate the Intellectual Property to the extent necessary to ensure that the Equipment conform to the Purchase Order and are suitable for the purposes for which they are intended.

All plans, designs and specifications provided by VEOLIA must be considered as confidential, not being able to be lent, copied or used by third parties for any purpose other than the realization of the supply, without prior written consent of VEOLIA.

### 23. Performance evaluation

Pursuant to the VEOLIA Integrated Management System, which is governed by standards ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007, the SUPPLIER will be continuously assessed based on the deliveries/services completed and any incidents such deliveries/services may generate.

The purpose of this continuous assessment is to have sufficiently consistent information to be able to evaluate the SUPPLIER's performance and ensure compliance with the procurement requirements.

Therefore, it includes all information supplied on projects, environmental management and occupational health and safety management performed for the deliveries/services.

The SUPPLIER is hereby informed that a Supplier evaluation and performance report is issued annually, assessing the results obtained and, if necessary, taking any appropriate decisions to improve them.

The SUPPLIER must be aware of the need to:

- Comply with all legal requirements applicable to its activity as concerns quality, environmental affairs and occupational risk prevention as VEOLIA may request any information to ensure compliance.
- Be aware that possible delays and incidents in the deliveries of the products and/or services provided directly affect the products and services VEOLIA provides its clients and that the reliability of compliance with delivery deadlines is one of the aspects on which the loyalty and trust of clients towards VEOLIA is based.
- Be audited by VEOLIA technicians at its facilities as well as the Client's facilities (if applicable) to ensure compliance with all of the requirements.

### 24. Taxes, licenses and legalizations

- Value added tax (VAT) will be applied as per the laws in effect at the time each invoice is issued and it will be included as a separate item.
- Except for VAT, all other duties, taxes, excises, fees, canons, contributions, etc. deriving from the Purchase Order or the execution of the work, as applicable and at the corresponding rate, will be paid by the SUPPLIER.
- Likewise, the SUPPLIER shall pay for all permits, legalizations, licenses and processing costs necessary to perform the object of the Purchase Order.

## 25. Contract assignment

The assignment of the work commissioned in this contract to a third party is prohibited unless specifically approved in writing by VEOLIA, where assignment means:

- a. An act that produces the merger or absorption of the SUPPLIER's company with or by another company other than the contractor.
- b. The assignment of the work under this contract in favour of another company.
- c. The transfer to a third party of the subcontractor's shares at a sufficient percentage to gain control the contracted company.
- d. Any other act that leads to or involves the subrogation of the SUPPLIER's rights and obligations in this contract.

Therefore, the parties hereby agree that the SUPPLIER will not be able to sell, transfer or assign the right to collect all or part of the price of the work executed or that of the invoices for the work or provision of materials or documents indicating this right and, in particular, through a factoring or credit assignment contract, to any third party under any title without prior written consent from VEOLIA. In the event of a breach, VEOLIA will always comply by paying the SUPPLIER the price.

## 26. Cancellation and Termination of the Purchase Order

In addition to any rights particularly provided for in any of the foregoing clauses, VEOLIA reserves the right to cancel the Purchase Order at any time without incurring in any expense simply by communicating such circumstance in writing to the SUPPLIER in the following situations:

- a. Mutual agreement between the parties, for the purposes established in such an agreement.
- b. The extinguishment of any of the parties' legal personality.
- c. The termination of the works contract between the CLIENT and VEOLIA. If the termination of the primary contract is not due to a breach by the SUPPLIER in such circumstance, said party shall have the right to the payment of the materials actually supplied up to that date.
- d. If the SUPPLIER files for an arrangement with creditors or suspension of payments or files for bankruptcy or receivership.
- e. The SUPPLIER is declared to be in a situation of suspension of payments or insolvent.
- f. The failure by the SUPPLIER to adopt the Health and Safety measures to perform the work pursuant to the laws in effect and a serious or reiterated breach of occupational risk prevention and environmental regulations.
- g. A breach by the SUPPLIER of tax and labour obligations.
- h. Non-payment by the SUPPLIER to third parties and suppliers of invoices or bills of exchange for resources to be used for the project, personnel wages or social security contributions.
- i. A breach by the SUPPLIER of the obligations established in Spanish Law 32/2006, of 18 October, which regulates subcontracting in the construction sector, with respect to the SUPPLIER or any subcontracting done.
- j. Performance of the work by the SUPPLIER at a slower pace than established in the contract.
- k. When, in the opinion of VEOLIA, delays in the performance of the work by the SUPPLIER may compromise the delivery deadlines agreed.
- l. Suspension or paralysation of the work by the SUPPLIER for a period of more than seven days, except when due to causes of force majeure.
- m. A lack of technical, labour or economic capability observed in the SUPPLIER while performing the work contracted, as judged by VEOLIA.
- n. A failure to correct defects in the work performed by the SUPPLIER.
- o. A breach by the SUPPLIER of the clauses of the Purchase Order.

In all these situations, the SUPPLIER will lose the right to demand any compensation of any kind from VEOLIA for damages due to the work not completed in the future or for any other reason and must comply with the obligation of abandoning the job site in the form and under the conditions established in the Purchase Order.

Considering its liability towards the CLIENT, VEOLIA hereby expressly reserves the right to terminate this contract at any time if, in its opinion or in the opinion of the CLIENT, the development or performance of the work, facilities or materials produced or installed by the SUPPLIER do not match the agreed pace, the expected quality or the project specifications without any compensation of any kind due to the SUPPLIER for damages due to the work not completed or for any other reason. VEOLIA reserves the right to claim any damages caused to it as a result of such termination.

If the Purchase Order is terminated, VEOLIA may also demand the immediate return of all advance payments made to the SUPPLIER or execute the corresponding bank guarantee.

If this contract is terminated due to causes attributable to the SUPPLIER, the withholding established will be applied to correct the damages caused to VEOLIA without prejudice to any later actions that may correspond. All payments pending maturity will be on hold and suspended until the liquidation as a result of the termination.

## 27. Anti-corruption compliance

In carrying out the terms of this Agreement, the Parties hereby undertake to strictly comply with applicable laws prohibiting the bribery of public officials and private persons, influence peddling, money laundering that may in particular entail a public contract debarment, including:

- the 1977 Foreign Corrupt Practices Act of the United States,
- the 2010 UK Bribery Act,
- the 2016 French anti-corruption law "Sapin"
- The applicable law in the Spanish legislation

The Parties undertake to put in place and implement all necessary and reasonable policies and measures to prevent corruption.

SUPPLIER declares that to its knowledge, its legal representatives, directors, employees, agents, and anyone performing services for or on behalf of VEOLIA pursuant to this Agreement do not and will not directly or indirectly offer, give, agree to give, authorize, solicit, or accept the giving of money or anything else of value or grant any advantage or gift to any person, company or undertaking whatsoever including any government official or employee, political party official, candidate for political office, person holding a legislative, administrative or judicial position of any kind for or on behalf of any country, public agency or state owned company, official of a public national or international organisation, for the purpose of corruptly influencing such person in their official capacity, or for the purpose of rewarding or inducing the improper performance of a relevant function or activity by any person in order to obtain or retain any business for Veolia or to gain any advantage in the conduct of business for VEOLIA.

SUPPLIER agrees to notify any breach of any term of this clause, to Veolia within a reasonable time.

If VEOLIA notifies SUPPLIER that it has reasonable grounds to believe that SUPPLIER has breached any term of this clause:

- (a) VEOLIA is entitled to suspend performance of this Agreement without notice for as long as VEOLIA considers necessary to investigate the relevant conduct without incurring any liability or obligation to SUPPLIER for such suspension;
- (b) SUPPLIER is obliged to take all reasonable steps to prevent the loss or destruction of any documentary evidence in relation to the relevant conduct.

If SUPPLIER breaches any term of this clause:

- VEOLIA may immediately terminate this Agreement without notice and without incurring any liability.
- SUPPLIER undertakes to indemnify VEOLIA, to the maximum extent permitted by law, for any loss, damages, or expenses incurred or suffered by VEOLIA arising out of such breach.

**28. Jurisdiction**

Unless otherwise indicated on the Purchase Order, both parties waive their own forum and expressly submit to the jurisdiction of the Courts and Tribunals of the city of Madrid for the resolution of any matters or disputes that may arise between the SUPPLIER and VEOLIA when no agreement is reached between them within a reasonable period of time in relation to the interpretation and fulfilment of the Purchase Order.

Performance and compliance with the Purchase Order may not be interrupted while court proceedings are being processed.

**29. The parties' representatives and notification addresses**

The SUPPLIER and VEOLIA will immediately agree upon their representatives to coordinate the Purchase Order as well as activation, monitoring, inspection, documentation mailing and notifications of availability and deliveries.

The appointment of these representatives will be in writing and will include their contact coordinates; and any replacement will also be communicated in writing.

**ANNEX****MODEL GUARANTEE**

The Institution ....., with a registered address of ....., registered with the Trade Register of ....., in volume....., Companies Register, Folio..., Page..., assigned tax identification no. .... and in its name and on its behalf, Mr .....,

bearing national identity document no. ....,

**HEREBY ACTS AS A GUARANTOR FOR**

the company ....., assigned tax identification no. ...., and with a registered address of ....., for a maximum sum of (in numbers)..... Euros, (in letters)..... Euros under the terms and conditions established by Law, expressly waiving the benefits of priority, excussion and division.

The object of the guarantee is to guarantee the contractual obligations undertaken by said company towards VEOLIA WATER SYSTEMS IBERICA, S.L., assigned tax identification no. B-81502502, and with a registered address of C/ El Electrodo 52, Pol. Ind. Santa Ana C.P. 28522 Rivas Vaciamadrid, under a contract dated ....., the object of which is ....., as per the description provided in said contract.

As a result of this guarantee, the guarantor institution is required to deliver the sum or sums to VEOLIA WATER SYSTEMS IBERICA S.L. claimed by it for the aforementioned concepts upon first demand.

These claims may be executed by VEOLIA WATER SYSTEMS IBERICA S.L. as often as necessary and up to the limit indicated above, declaring in said claim the breach of the obligations guaranteed.

This guarantee expires on ....., after which date the guarantee will no longer be valid if payment has not already been demanded from the Bank and may be cancelled even when the original has not been returned.

In any case, it will expire and may be cancelled without the need for any other requirement as soon as the guarantor Bank has the original copy of this guarantee in its possession.

This guarantee is subject to Spanish law and the jurisdiction of the Courts and Tribunals of .....

This guarantee has been registered on this date with the Special Register of Guarantees under the number .....

In ..... on ..... 20-