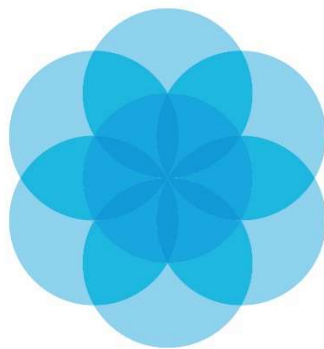




B R A H M
PRECISION

SUSTAINABLE PURCHASING POLICY

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SUSTAINABLE PURCHASING POLICY

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1. CONTEXT AND COMMITMENT

BRAHM SPAIN is committed to sustainability and aims to integrate applicable environmental, social and governance (ESG) aspects into its strategy and operations, with the objective of maximising the value delivered to its main stakeholders.

The supply chain is an essential part of this commitment. Therefore, BRAHM SPAIN integrates sustainability criteria into the management of its procurement, supplier selection, approval, evaluation and monitoring, with the aim of continuously improving social, environmental, economic and ethical performance.

This Sustainable Purchasing Policy establishes the principles and requirements that shall guide BRAHM SPAIN relationships with its suppliers, subcontractors and other supply-chain partners.

The policy is based, among other things, on internationally recognised principles and references, such as:

- The Universal Declaration of Human Rights.
- The fundamental principles and conventions of the International Labour Organization (ILO).
- The principles of the United Nations Global Compact.
- The United Nations Sustainable Development Goals.
- The principles and requirements of environmental management systems such as ISO 14001.
- Applicable environmental, labour, safety, ethics and human-rights legislation.
- Applicable legislation on chemical substances, including REACH where relevant.
- Internationally recognised principles of responsible business conduct and due diligence in the supply chain.

This policy complements BRAHM SPAIN general purchasing conditions, which shall apply to purchases of goods and services made by the company unless otherwise expressly agreed in writing between the parties.

2. PURPOSE

The purpose of this Sustainable Purchasing Policy is to establish a common framework so that BRAHM SPAIN purchasing decisions integrate criteria relating to:

- Environmental matters, related to pollution prevention, energy efficiency, greenhouse-gas emissions, responsible use of resources, waste, circular economy, water, chemicals and biodiversity.
- Social matters, related to human rights, labour rights, equality, diversity, non-discrimination, health and safety, decent working conditions and people wellbeing.
- Ethics and good governance, related to integrity, anti-corruption, fair competition, transparency, confidentiality, data protection and responsible business conduct.

The aim is for procurement decisions not to be based exclusively on economic criteria, but also to consider the impact of the product or service throughout its life cycle and the supplier sustainable performance.

Sustainable Purchasing forms part of BRAHM SPAIN corporate responsibility strategy and seeks to generate long-term environmental, social and economic value.

3. SCOPE OF APPLICATION

This Sustainable Purchasing Policy applies to all purchases of goods and services made by BRAHM SPAIN.

It shall apply, as appropriate, to:

- Raw-material suppliers.
- Component and product suppliers.
- Service providers.
- Subcontractors.
- Logistics and transport companies.
- External-process suppliers.
- Other business partners forming part of the supply chain.

The requirements may also be extended to sub-suppliers when the nature, criticality or risk level of the activity so requires.

BRAHM SPAIN may establish different levels of requirements and monitoring depending on supplier, product or service criticality, geographical location, environmental impact, social risks, ethical risks and relevance to business continuity.

4. SUSTAINABLE PURCHASING PRINCIPLES

BRAHM SPAIN shall apply the following principles in its purchasing processes:

41. Integrate environmental, social and ethical criteria together with quality, cost, service and continuity-of-supply criteria.
42. Promote transparent, responsible and long-term relationships with suppliers.
43. Prioritise, where technically and economically feasible, suppliers that demonstrate strong ESG performance.
44. Promote continual improvement in the sustainable performance of the supply chain.
45. Encourage the prevention of environmental and social impacts.
46. Promote respect for fundamental human and labour rights.
47. Reject any form of child labour, forced labour, modern slavery or human trafficking.
48. Promote safe, healthy and decent working conditions.
49. Reject any form of corruption, bribery or unlawful business conduct.
50. Promote transparency, traceability and integrity in commercial relationships.
51. Favour local and responsible sourcing where feasible.
52. Encourage innovation and collaboration with suppliers to improve environmental and social performance.

5. GENERAL PURCHASING CONDITIONS

5.1. Purchase orders

BRAHM SPAIN issues purchase orders supporting the assignments made or, alternatively, based on a quotation or requirements file accepted in writing.

Purchases shall comply with the conditions stated in the purchase order, including price, lead time, delivery location, quantities, technical specifications and payment terms.

If the supplier disagrees with any condition, it shall notify BRAHM SPAIN in writing and obtain approval before processing the order.

The supplier shall confirm and accept the purchase order within two days of receipt. If no response is received within that period, the purchase order shall be deemed automatically accepted.

BRAHM SPAIN reserves the right to cancel a purchase order in the event of non-compliance with any applicable specific or general condition.

5.2. Non-conforming product

Where the supplier or subcontractor identifies any defect or quality non-compliance, it shall immediately notify BRAHM SPAIN and, where appropriate, request prior approval before delivery.

The supplier shall be responsible for costs arising from non-conforming products when the non-conformity is attributable to its activity.

5.3. Control of requirement changes

The supplier or subcontractor shall notify BRAHM SPAIN of any significant change related to:

- Product.
- Manufacturing process.
- Raw materials.
- Suppliers.
- Sub-suppliers.
- Location of manufacturing facilities.
- Subcontracted processes.
- Relevant legal or regulatory requirements.

Where required, prior approval from BRAHM SPAIN shall be obtained.

The supplier also undertakes not to unilaterally discontinue its cooperation with BRAHM SPAIN with less than 90 calendar days prior notice, except in cases of force majeure or by agreement between the parties.

5.4. Subcontracting

Subcontracting work or processes related to BRAHM SPAIN purchase orders shall not be permitted without express authorisation.

The supplier shall be responsible for activities carried out by its authorised subcontractors.

It shall also pass on to authorised subcontractors the obligations established in this policy, including applicable environmental, social, labour and ethical requirements.

5.5. Transport, deliveries and packaging

The supplier shall comply with BRAHM SPAIN packaging instructions where these have been established.

Efficient use of packaging shall be promoted, avoiding unnecessary materials and quantities and favouring, where technically feasible, reusable, recyclable or lower-impact solutions.

The supplier shall be responsible for damage caused by inadequate protection, defective packaging or incorrect handling and transport.

Delivery conditions shall be those established in each purchase order.

Deliveries shall be made:

- From 16 September to 15 June, Monday to Friday, from 08:00 to 13:00 and from 14:30 to 16:00.
- From 16 June to 15 September, Monday to Friday, from 07:00 to 14:00.

Deliveries outside these hours shall not be accepted unless expressly authorised.

Deliveries before or after the agreed date shall not be accepted without express authorisation from BRAHM SPAIN.

Partial deliveries or quantities greater than those requested shall not be accepted unless expressly indicated in the purchase order.

5.6. Material identification

Each shipment shall be accompanied by a delivery note containing, as a minimum:

- Purchase order number.
- Product code.
- Description.
- Quantity.
- Batch, where applicable.
- Delivery address.

Each package shall allow its contents to be properly identified.

5.7. Incoming inspection and control

BRAHM SPAIN reserves the right to inspect materials, equipment and processes at the place of manufacture, storage or execution.

Where necessary, authorised BRAHM SPAIN representatives may access facilities and records related to purchase orders, including those corresponding to relevant levels of the supply chain.

Material shall be considered received once it has been verified by the relevant department in accordance with the applicable requirements.

Defective materials may be returned to the supplier at its expense.

Where production needs so require, BRAHM SPAIN may perform sorting or recovery work, charging the corresponding costs to the supplier when the defect is attributable to it.

5.8. Associated documentation

Goods shall be accompanied by the documentation required in the purchase order, including, where applicable:

- Quality certificates.
- Certificates of conformity.
- Test results.
- Regulatory documentation.
- Information on materials and substances.
- Required environmental or safety documentation.

5.9. Records

The supplier shall retain quality records related to BRAHM SPAIN purchase orders for at least five years and make them available to the purchaser upon request.

Where necessary, BRAHM SPAIN may request records relating to environmental, social, labour, ethical or legal-compliance aspects.

5.10. Prices and invoicing terms

Prices shall be those established in the corresponding contractual documentation, unless otherwise expressly agreed by the parties.

Unless otherwise specified, prices shall include packaging, transport, insurance and other items stated in the purchase order.

Invoices shall include the information required by BRAHM SPAIN and comply with the agreed contractual conditions.

By default, payment shall be made by bank transfer at 60 days, unless otherwise agreed.

5.11. Warranties

The supplier warrants products, goods and equipment against design or manufacturing defects for a period of 12 months from delivery or commissioning, as applicable.

The supplier shall be responsible for repairing or replacing defective parts and for the associated costs when the defect is attributable to it.

The supplier also warrants that supplied products comply with applicable legislation, particularly product-safety requirements.

5.12. Prevention of counterfeit parts

The supplier and its subcontractors shall establish appropriate controls to prevent the use of counterfeit or suspect parts, materials or documentation.

Where applicable, these controls shall include material traceability, control of suppliers and subcontractors, and verification of documentation.

6. ORGANISATION AND REQUIREMENTS APPLICABLE TO SUPPLIERS

The supplier shall act as an independent company and shall be responsible for the selection, training and supervision of its personnel and the personnel of its subcontractors.

It shall comply with all applicable legislation, including that relating to:

- Labour legislation.
- Social Security.
- Occupational health and safety.
- Environment.
- Product safety.
- Taxation.
- Data protection.
- Human rights.
- Anti-corruption and business ethics.

When requested by BRAHM SPAIN, the supplier shall provide documentary evidence of compliance with these requirements.

7. CONFIDENTIALITY, DATA PROTECTION AND INTELLECTUAL PROPERTY

The supplier undertakes to maintain the strictest confidentiality regarding all confidential information to which it has access as a result of its relationship with BRAHM SPAIN.

It shall also adequately protect personal data and confidential information in accordance with applicable legislation and established contractual requirements.

The supplier shall apply reasonable information-security and cybersecurity measures to protect BRAHM SPAIN information.

All drawings, plans, sketches, photographs, technical documents, tools, tooling, moulds and other documentation supplied or specifically developed for BRAHM SPAIN shall be subject to the intellectual-property and use conditions established contractually.

8. HUMAN RIGHTS AND WORKING CONDITIONS

BRAHM SPAIN expects its suppliers to respect internationally recognised human rights and fundamental principles at work.

Suppliers shall expressly commit to the following:

Child labour

Not to use child labour or participate directly or indirectly in activities involving child exploitation.

Forced labour and modern slavery

Not to use forced or compulsory labour, slavery, servitude, human trafficking or any other form of labour exploitation.

Freedom of association

Respect freedom of association and workers right to collective bargaining in accordance with applicable legislation.

Non-discrimination and equality

Ensure equal opportunities and reject any form of discrimination based on sex, age, origin, nationality, race, disability, religion, sexual orientation, opinion, social status or any other legally protected circumstance.

Harassment and violence

Promote a respectful and dignified workplace free from harassment, violence, intimidation or degrading treatment.

Working conditions

Comply with applicable legislation regarding:

- Working hours.
- Rest periods.
- Holidays.

- Remuneration.
- Social Security.
- Employment contracts.
- Employee benefits.
- Decent employment conditions.

Health and safety

Suppliers shall provide a safe and healthy working environment and establish appropriate measures to prevent accidents and occupational diseases.

The following practices, among others, shall be promoted:

- Risk identification and assessment.
- Safety training.
- Appropriate protective equipment.
- Emergency management.
- Investigation of accidents and incidents.
- Implementation of preventive and corrective actions.

Where applicable legislation and these principles address the same issue, the provision offering greater protection to workers shall apply, provided it is legally applicable.

9. BUSINESS ETHICS AND INTEGRITY

BRAHM SPAIN considers business integrity an essential requirement of its commercial relationships.

Suppliers shall:

- Reject any form of corruption, bribery, improper inducement, extortion or improper payment.
- Avoid conflicts of interest.
- Maintain transparent business practices and appropriate records.
- Comply with competition and fair-competition rules.
- Reject fraudulent or deceptive practices.
- Protect confidential information.

- Comply with applicable data-protection legislation.
- Maintain appropriate controls to prevent unlawful conduct.

BRAHM SPAIN shall promote business relationships based on transparency, independence, objectivity and traceability in purchasing decisions.

10. ENVIRONMENT, CLIMATE CHANGE AND SAFETY

Products and services purchased by BRAHM SPAIN shall comply with applicable environmental and safety legislation.

BRAHM SPAIN shall promote the following among its suppliers:

Energy and climate change

- Reduction of energy consumption.
- Improvement of energy efficiency.
- Responsible use of resources.
- Measurement and reduction of greenhouse-gas emissions where relevant.
- Proposals for products and processes with a lower carbon footprint.
- Use of renewable energy where feasible.

Water

- Efficient use of water.
- Prevention of pollution of water resources.
- Appropriate management of water-related risks.

Waste and circular economy

- Waste prevention and reduction.
- Reuse and recycling.
- Reduction of unnecessary packaging.
- Appropriate management of hazardous and non-hazardous waste.
- Incorporation of circularity criteria into products and materials.

Chemicals

Suppliers shall comply with applicable obligations relating to chemical substances and restricted products.

Where applicable, they shall ensure compliance with REACH and other legislation relating to chemical substances.

Biodiversity and deforestation

Where supplied activities or raw materials may generate relevant impacts, the following shall be promoted:

- Protection of biodiversity.
- Prevention of ecosystem degradation.
- Responsible sourcing of raw materials.
- Prevention of deforestation.

Safety

Suppliers shall ensure that products and services supplied comply with established legal and safety requirements.

11. CONFLICT MINERALS AND RESPONSIBLE SOURCING

Where applicable, suppliers shall identify the presence and origin of minerals considered high-risk or conflict minerals in supplied products.

BRAHM SPAIN shall promote responsible sourcing and traceability of raw materials, particularly in products or components where a relevant risk exists.

Suppliers shall provide information or documentation on the origin of materials when requested by BRAHM SPAIN.

12. MANAGEMENT SYSTEMS AND CERTIFICATIONS

Where required by BRAHM SPAIN, the supplier or subcontractor shall maintain appropriate management systems and, where applicable, certification by an accredited third party.

Certifications that may be considered include:

- ISO 9001.
- IATF 16949.
- ISO 14001.

- Other recognised certifications relevant to the product, service or activity.

The supplier shall ensure that people within its organisation are aware of:

- Their contribution to product or service conformity.
- The importance of product safety.
- Applicable environmental requirements.
- The importance of ethical behaviour.

Suppliers certified to ISO 14001 shall receive a reference environmental rating of 10 points, in accordance with BRAHM SPAIN internal supplier-evaluation system.

Suppliers without ISO 14001 certification may be evaluated using the Supplier Environmental Requirements Assessment Questionnaire.

The score obtained shall be incorporated into the approved supplier rating.

13. SUPPLIER CODE OF CONDUCT

The principles established in this policy shall be complemented by the BRAHM SPAIN Business Ethics Code of Conduct.

Suppliers and subcontractors shall know and respect the standards established in that code.

BRAHM SPAIN may require formal acceptance of the Code of Conduct as a condition for supplier approval or continuation of the commercial relationship.

Where applicable, the supplier shall pass these principles on to its own suppliers and subcontractors.

14. SUPPLIER EVALUATION, MONITORING AND PERFORMANCE

BRAHM SPAIN shall periodically evaluate its suppliers in accordance with its internal purchasing and supplier-control procedures.

The evaluation may consider criteria relating to:

Operational and quality performance

- Delivered quality / non-conforming product PPM.
- Customer disruptions, including field returns.
- Compliance with delivery deadlines.

- Deliveries by expedited transport.
- Customer notifications relating to quality problems.
- Warranty performance.
- Management of 8D actions.
- Compliance with technical requirements.
- Certifications.

	FORMULATE	EVALUATION
DELIVERED QUALITY NON CONFORM PPM	Target Non Conform PPM/PPM	If >1 then 1
CUSTOMER DISRUPTIONS INCLUDING FIELD RETURNS	Customer disruptions	If 0 then 1. If > 0 then 0
DELIVERY SCHEDULE PERFORMANCE PPM	Target Delivery PPM /PPM	If >1 then 1
DELIVERY PREMIUM FREIGHT	Delivery premium freight number	If 0 then 1. If > 0 then 0
SPECIAL STATUS CUSTOMER NOTIFICATIONS RELATED TO QUALITY OR DELIVERY ISSUES	Special notifications	If 0 then 1. If > 0 then 0
WARRANTY PERFORMANCE	Warranty performance number	If 0 then 1. If > 0 then 0
8D	Si 0, valor 1. Si > 0, valor= 1-(Numero de 8Dx0,2)	If < 0 then 0
CERTIFICATION	IATF Certification	1
	ISO9001 Certification	0,9
	Customer Authorization	0,9
	Without Certification	0,8

Environmental performance

The following may be considered, among others:

- ISO 14001.
- Environmental questionnaire result.
- Waste management.
- Energy efficiency.
- Emissions management.
- Water management.
- Chemical-substance management.
- Circular economy.
- Environmental legal compliance.

Social and human-rights performance

Where applicable, the following may be evaluated:

- Labour compliance.
- Health and safety.
- Human rights.

- Child and forced labour.
- Equality and non-discrimination.
- Working conditions.
- Training and awareness.

Ethical performance

The following may be evaluated:

- Code of Conduct.
- Anti-corruption.
- Conflicts of interest.
- Fair competition.
- Data protection.
- Information security.
- Legal compliance.

The evaluation shall take into account supplier risk and criticality.

The average of the criteria established in the internal evaluation system shall allow suppliers to be classified as:

- Type A
- Type B
- Type C
- Type D

RESULT	WEIGHTED AVERAGE	
A TYPE SUPPLIER	SUPPLIER DOESN'T NEED ACTION PLAN	1 to 0,95(included)
B TYPE SUPPLIER	SUPPLIER DOESN'T NEED ACTION PLAN	0,95 to 0,9(included)
C TYPE SUPPLIER	SUPPLIER MUST DRAW AN ACTION PLAN WITHIN 6 MONTHS	0,9 to 0,8(included)
D TYPE SUPPLIER	SUPPLIER MUST DRAW AN ACTION PLAN WITHIN 1 MONTH	0,8 to 0

This classification may be used to determine the intensity of monitoring, the need for corrective actions and the frequency of re-evaluation.

15. MANAGEMENT OF NON-COMPLIANCE AND CORRECTIVE ACTIONS

Where non-compliance with the requirements established in this policy is identified, BRAHM SPAIN may request a corrective action plan from the supplier.

The plan may include:

- Identification of the root cause.
- Corrective action.
- Responsible person.
- Implementation deadline.
- Evidence of implementation.
- Verification of effectiveness.

BRAHM SPAIN may monitor the actions and re-evaluate the supplier.

Depending on the severity of the non-compliance, the following measures may be adopted:

- Request for additional information.
- Requirement for corrective actions.
- Enhanced monitoring.
- Supplier re-evaluation.
- Suspension of approval.
- Restriction of new awards.
- Termination of the contractual relationship.

Non-compliance involving child labour, forced labour, corruption, serious human-rights violations, serious environmental breaches or legal non-compliance may be considered critical non-compliance.

16. BRAHM SPAIN COMMITMENTS

BRAHM SPAIN is committed to promoting better sustainability practices and periodically reviewing its performance.

Relationships with suppliers and contractors shall be based on:

- Ethics and integrity.
- Equal opportunities.
- Free competition.

- Transparency.
- Traceability.
- Independence and objectivity in decision-making.
- Respect for human and labour rights.
- Equality, diversity, inclusion and non-discrimination.
- Work-life balance.
- People safety and well-being.
- Climate action.
- Efficient use of energy and water resources.
- Circular economy and responsible consumption of raw materials.
- Protection of the natural environment and biodiversity.
- Appropriate management of environmental risks.
- Promotion of local-community development.
- Innovation and collaboration with suppliers.
- Digital transformation and solutions that contribute to the energy transition.

Where feasible, BRAHM SPAIN shall promote the purchase of goods and services from local suppliers or suppliers with a local presence in order to contribute to the economic and social development of the communities where it operates.

It shall also make appropriate communication and dialogue channels available to suppliers.

BRAHM SPAIN may recognise and promote supplier best practices in ESG matters.

17. COMMUNICATION, TRAINING AND AWARENESS

BRAHM SPAIN shall communicate this policy to relevant interested parties and provide suppliers with the information necessary to facilitate compliance.

The company shall promote training and awareness among people involved in purchasing on the following matters:

- Sustainable purchasing.
- Ethics and compliance.

- Human rights.
- Labour and social matters.
- Environment.
- Climate change.
- Supplier evaluation.
- Responsible supply-chain management.

Suppliers shall also be encouraged to pass these principles on to their own supply chains.

18. REVIEW AND CONTINUAL IMPROVEMENT

BRAHM SPAIN shall periodically review this policy and its degree of implementation.

The review shall take into account, among other matters:

- Legislative changes.
- Evolution of supply-chain risks.
- Results of supplier evaluations.
- Incidents and non-compliance.
- Interested-party expectations.
- Evolution of ESG criteria.
- BRAHM SPAIN strategic objectives.

Where appropriate, BRAHM SPAIN shall establish indicators and objectives to measure the development of Sustainable Purchasing.

19. CONTRACT TERMINATION

Grounds for termination of the contractual relationship shall include, among others:

- Termination of the legal personality of the supplier company.
- Transformation, merger, absorption, universal transfer of assets and liabilities, or demerger.
- Breach of contractual obligations.
- Serious or repeated breach of this Sustainable Purchasing Policy.

- Breach of tax, labour, Social Security or Occupational Health and Safety regulations.
- Serious environmental breaches.
- Serious human-rights violations.
- Use of child labour or forced labour.
- Corruption, bribery or fraud practices.
- Insolvency proceedings or any other circumstance that may call the supplier solvency into question.

Termination shall be carried out in accordance with the applicable contractual conditions and current legislation.

20. FORCE MAJEURE

Neither party shall be held liable for failure to perform its contractual obligations where performance is delayed or becomes impossible as a result of force majeure, in accordance with applicable legislation.

The circumstance shall be communicated to the other party within a maximum of 48 hours where reasonably possible.

Delivery deadlines shall be extended by a period equivalent to the time lost as a result of the force-majeure event.

If the situation lasts for more than 90 days, BRAHM SPAIN shall inform the supplier whether the contractual relationship will continue or be terminated.

21. JURISDICTION

This Sustainable Purchasing Policy and the contractual relationships to which it applies shall be governed by the laws of the Kingdom of Spain.

The parties shall seek to resolve amicably any matter relating to its interpretation and compliance.

Where an amicable solution cannot be reached, the parties shall submit to the Courts and Tribunals of Ciudad Real, unless another jurisdiction is legally applicable.

22. APPROVAL

This Sustainable Purchasing Policy has been reviewed and approved by BRAHM SPAIN Management.



SUSTAINABLE PURCHASING POLICY

Reviewed/Approved: 28 August 2026

Name: José Manuel Moreno

Position: Plant Manager

Company: BRAHM PRECISION PRODUCTS CORPORATION SPAIN, S.A.