



# Purchasing Terms and Conditions

## 1. Introduction

This document establishes the General Purchase Conditions, applicable to purchases that are made by HYPERMETAL, LDA.

### a. Quality policy

Hypermetal is dedicated to producing metal parts by additive manufacturing, producing specific parts according to the need of each Client.

We are committed to being a reference partner to innovative companies, providing quality and client-centered services, focusing on innovative solutions for the manufacturing of parts through additive manufacturing, and always aiming at continuously improving its processes and achieving the best possible results, in a safe and ethical way, according to the legal requirements.

### b. Scope

The General Conditions set out here are applicable to all goods and services purchased by HYPERMETAL, LDA., including tools, machinery, equipment, parts, raw material, labour, or other goods, including services related thereto, hereinafter individually or collectively referred to as "Product". The terms and conditions set forth herein shall only be modified, by written document, duly signed by Hypermetal's Management.

### c. Suppliers' Policy

Regarding its suppliers, HYPERMETAL, LDA., is clearly concerned with the value chain where it operates, which must be aligned with the values of environmental, human and economic sustainability that are an integral part of the company's policy. For this purpose, the supplier policy of HYPERMETAL, LDA., is based on the pillars that are detailed below, and that will always be subject to analysis in the selection and qualification of the same:

- HYPERMETAL, LDA., repudiates any type of undue exploitation of resources, such as child labour, slavery, forced labour, human trafficking, among others;
- HYPERMETAL, LDA., is committed to sustainable work, ensuring a balanced policy with regard to working hours and wages, among other benefits;



- HYPERMETAL, LDA., strongly condemns any form of harassment or discrimination.
- HYPERMETAL, LDA., favors ethical conduct and compliance in all circumstances, as well as fair competition practices.
- The Supplier shall carry out its activities in an environmentally responsible manner and promote the disposal of its waste to licensed operators.
- In accordance with its environmental, health, safety and employment policies, the Supplier shall endeavor to incorporate environmental and social considerations into its selection process for goods and services.
- The Supplier shall acknowledge that it is its responsibility to encourage its suppliers, contractors and subcontractors to minimize negative environmental and social effects associated with the products and services provided.
- The supplier shall acknowledge the importance of ethical behavior, ensuring its team is fully aware of this and maintaining proper training,, establishing procedures to avoid counterfeit items, non-conforming items and product safety.
- The Supplier shall also ensure that small local suppliers are not discriminated against in the procurement process and specifications.
- The Supplier undertakes to promote the safety and health of workers in order to prevent the occurrence of occupational accidents and the onset of occupational diseases, and to comply with all legal standards applicable to occupational health and safety, as well as to comply with any provisions and/or standards required by HYPERMETAL, LDA., resulting from internal rules applied and/or required by HYPERMETAL LDA..

## 2. Supplier Selection Criteria

**Required Documentation:** The supplier shall present documentation that demonstrates their compliance with applicable regulations and their quality management processes. If they do not have a management system implemented, it is recommended that it be implemented, albeit certification is not a requirement, before the next audit. If necessary, Hypermetal can advise on the implementation and aid in the implementation process.

### **Performance Monitoring and Evaluation**

**Periodic Reviews:** Review Evaluation will be carried out to evaluate the supplier's performance and determine whether established standards are met. This may include an audit/Visit to the supplier's facilities. This review will be performed yearly.



The criteria for the periodic evaluation are “Quality of product/Service”, “Delivery Performance”, “Flexibility and ability to respond to complaints”.

The results of the periodic evaluation will lead to the following classification:

| Classification | Punctuation         | Observations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b>       | > 85%               | Preferred supplier. Should be preferred in future supplies.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>B</b>       | Between 70% and 84% | Supplier with some problems, but acceptable quality.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>C</b>       | Between 50% and 69% | <p>Poor quality supplier.</p> <p>Suppliers in which HYPERMETAL can influence:</p> <p>In this case, HYPERMETAL requests the improvement of the suppliers' performance, which can be formalized by email or in meetings. Hypermetal will work together with the supplier to improve its performance in the future.</p> <p>Suppliers in which HYPERMETAL can't influence (but is Strategic):</p> <p>In this case, HYPERMETAL attempts to improve performance, but may not succeed. It will continue as a supplier, as it is strategic and assumed by the top management.</p> |
| <b>D</b>       | < 49%               | Supplier with too many faults and with poor quality. It should only be used in a situation of absolute necessity and if considered necessary, by the top management, it is excluded from the list.                                                                                                                                                                                                                                                                                                                                                                        |

The suppliers with a classification of C will be informed by email or other form of written communication.



### 3. Order

Purchase Order - HYPERMETAL, LDA., will affect its purchases by sending to the Supplier a written purchase order (in the form of letter, text message via text message or web platform, e-mail or fax), hereinafter referred to simply as "Purchase Order". All invoicing issued on behalf of HYPERMETAL, LDA., shall only be acknowledged if it is supported by an Order Form and the relevant invoice complies with the contents thereof.

HYPERMETAL, LDA., shall not be bound by this instrument to purchase the Product from the Supplier, which shall only become effective after tacit or express acceptance by the Supplier of the Purchase Order sent by HYPERMETAL, LDA., subject to all the terms and conditions provided herein, as well as the terms and conditions stipulated in the respective Purchase Order.

HYPERMETAL, LDA., reserves the right to modify, cancel, adjust or reschedule the quantities of Products shown on the "Purchase Order" according to its needs, respecting the other conditions previously agreed with the Supplier. The final value of the Purchase Order is assessed by multiplying the quantities effectively supplied and duly received by HYPERMETAL, LDA., by the agreed unit price.

The Supplier shall confirm receipt of the Purchase Order, within 5 (five) days from the date of its receipt, by returning in writing, e-mail or fax a copy of the Purchase Order, duly signed and stamped, to Hypermetal, Lda's Purchasing Department. It is hereby set forth that the Supplier's failure to respond to the Purchase Order sent by HYPERMETAL, LDA., within the period stipulated herein will imply a tacit acceptance by the SUPPLIER of all the terms and conditions of the Purchase Order, as well as of the terms and conditions of this instrument.

It is hereby stipulated that the supply of all Products to HYPERMETAL, LDA., is subject to compliance by the Supplier with all the terms and conditions of this instrument, and the mere supply of any Products to HYPERMETAL, LDA., shall bind the Supplier to this agreement.

### 4. Conformity

Subject to the provisions of the clause below, the Product shall at all times conform to drawings, specifications, and detailed characteristics present in the samples or parts that have been accepted by HYPERMETAL, LDA., Any technical modification shall only be introduced with the prior written consent of HYPERMETAL.



The Product, its packaging, its transport and/or shipment shall observe and comply with all legislation, including, but not limited to, ordinances, regulations, quality standards and other standards applicable to each Product that are in force in Portugal and Europe, as well as in the country of destination of the Product. The Supplier guarantees to HYPERMETAL, the full compliance with the requirements mentioned in this paragraph and expressly declares to reimburse HYPERMETAL, for any and all expenses incurred by HYPERMETAL, for any non-compliances that are not attributable to HYPERMETAL, namely in the event of an assessment by any administrative or judicial misdemeanor process, due to the Supplier's failure to comply with the obligations defined in this paragraph.

Upon Hypermetal, Lda's request, the Supplier shall provide the appropriate certificate proving the country of manufacture of the Product and its characteristics, if applicable.

All Material Suppliers shall maintain all certifications applicable to the case, except if this requirement is waived by HYPERMETAL, LDA., Non-certified Suppliers shall be subject to Quality audit to be conducted by Buyer. Suppliers of materials shall notify Buyer in advance, in writing, of any changes in the manufacturing process, quantities or interruption in the manufacturing of the material. Change in the manufacturing process shall mean any change in raw materials, formulations, raw material suppliers, manufacturing location or any change in process that may affect the specification or performance of a product. Give notice to Hypermetal Lda of any modification that affects the contracted product or service before making the modification (change in manufacturing process, change in raw materials, change in workplace, change in supplier, etc.). It must be approved by Hypermetal.

The Seller shall notify the Buyer in good time in the event of non-conformities in the materials delivered.

### ***Non-Conformity Management***

Identification of Non-Conformities: Any product or service that does not meet the requirements must be documented and notified to Hypermetal by whom detects the NC; a corrective action must take place.

Corrective Actions: Corrective action plans will be established that must be implemented by the supplier within an agreed period. Corrective actions will be reviewed to ensure effectiveness.



In the case of serial delivery, the Supplier shall fully conform to Hypermetal's delivery and receipt system and shall undertake to harmonize its administrative and production systems with Hypermetal's systems.

## 5. Delivery Time

The delivery period shall be indicated on the Purchase Order. The Supplier shall be responsible for all measures necessary in order that the delivery time of the product is met.

## 6. Price, Invoicing, and Payment Terms

Prices are fixed and non-revisable and are determined according to the "Delivery At Place (DAP)" rule, as defined in Incoterms® 2011 . The Supplier is solely responsible for payment of all transportation and unloading costs, customs duties and taxes due, as well as all insurance costs up to final receipt of the Product at the HYPERMETAL, LDA.,

When issuing the invoice, the Supplier shall take the following aspects into account, under penalty of suspension of payments or rejection of the Product: (I) confirm the places for delivery of the Product; (II) mention the legal entity number of the HYPERMETAL, LDA., indicated on the Purchase Order, issuing the invoice with absolute clarity, without any erasures or amendments; (III) state the corresponding Purchase Order number on the invoices; (IV) state the description of the Product, the quantity delivered or the gross or net weight on the invoices;

The goods shall be accompanied by the documentation required by law, and the corresponding invoice shall be issued within 5 days after delivery of the material. The invoice shall be issued with absolute clarity and in strict compliance with the legal and tax provisions. Payments will be made on the date stipulated by the parties and stated on the Purchase Order. Each and every supply shall only be considered to be partially or fully fulfilled (as regards the quantities supplied and to be invoiced) when the Supplier fulfils all its obligations, such as, for example but not exclusively, the delivery of the certificates. Invoicing for a supply shall only be accepted if and when it has been fully complied with.

## 7. Packing and Delivery Documentation

Any Product shall be packaged in accordance with Hypermetal, Lda's Purchase Specifications or Purchase Order, or in their absence, in accordance with any other indications, and or in accordance with applicable European norms and standards, and the packaging shall where possible be made from recycled, recyclable or reusable raw



materials, in order to reduce the ecological footprint of the same. Any damage to the Product is the sole responsibility of the Supplier

Each packaging unit will have external marking in a clear and legible manner according to the applicable technical standards as well as instructions related to any special conditions for storage.

The Supplier shall attach to the shipping documentation a detailed delivery order, specifying the contents of the packaging and goods, the quantities and the information contained in the Purchase Order necessary for the identification of the Product.

## 8. Indemnities and Duty to Provide information

The Supplier shall indemnify HYPERMETAL, LDA., against losses and damages, civil liability, criminal liability, costs or expenses incurred by HYPERMETAL, LDA., its customers and end consumers, in the event that HYPERMETAL, LDA., is required to carry out replacement of the Products due to defect, non-compliance, or other vices and/or defects of the Products. This indemnity shall be payable where replacement for repair, permanent replacement or return is required by law, rule, regulation or court decision. If the Product is not the sole reason for the claim, HYPERMETAL, LDA., shall apportion its costs, damages and expenses to the Supplier in proportion to the costs, damages and expenses for which each party is responsible, which the Supplier hereby expressly accepts.

The Supplier has a duty to inform HYPERMETAL, LDA., immediately upon its knowledge and even after termination or expiry of the instrument of supply, of any failure, defect, non-conformity, other vices and/or defects of the Products in order that HYPERMETAL, LDA., may decide whether or not to carry out a replacement.

The supplier has a duty to inform Hypermetal Lda of all non-conformities that occur during the provision of the service or the production of the product that was contracted.

HYPERMETAL, LDA., shall have the right, regardless of the consent of the Supplier, to report to any authority or to any regulatory body, any information it may obtain, indicating that the Products do not conform to any standard required by law or that constitute or create,



themselves, or within the end product of which they are parts or components, situations requiring replacement or repair as required by applicable law.

The Supplier has a duty to prepare, maintain and file in a proper manner and in compliance with law, records and reports relating to the manufacture, safety, use and characteristics of the Products. The Supplier shall provide HYPERMETAL, LDA., with copies of such records whenever they are requested in writing by HYPERMETAL, LDA., and shall make them freely accessible in order to enable HYPERMETAL, LDA., to confirm the compliance of the Supplier and the Supply with the provisions of this clause. Hypermetal Lda has the right of access to the facilities/processes and to the documented information associated with the service or product provided by the company, its client or the application authorities. Detailed records of all purchasing transactions, supplier evaluations, audits and corrective actions will be maintained, thus ensuring traceability and regulatory compliance, for a minimum period of ten (10) years.

## 9. Subcontracting

The Supplier may not subcontract the subject matter of Hypermetal, Lda's Purchase Orders, in whole or in part, except with Hypermetal, Lda's prior written approval. Where HYPERMETAL, LDA., agrees to subcontract all or part of the Purchase Order, Supplier shall remain solely responsible to Hypermetal,

S.A. for the performance of the subcontractor, undertaking to obtain the subcontractor's adherence to these General Purchase Conditions.

## 10. Industrial and Intellectual Property Rights

The Supplier warrants to HYPERMETAL, LDA., that it is the owner or that it holds a valid and effective licence to all intellectual and industrial property rights relating to the Products, and is civilly and criminally liable for any infringements of third-party industrial and/or intellectual property rights relating to the manufacture and sale of the Products.

The Supplier shall indemnify HYPERMETAL, LDA., for all damages that HYPERMETAL, LDA., may suffer, including those caused by breach of obligations with its customers, in the event of any limitations, prohibitions or changes in the use or marketing of the Product, including, but not limited to, those determined by legal actions brought by third parties against the



Supplier on account of infringement of intellectual or industrial property rights relating to the Products.

If legal proceedings are brought directly against HYPERMETAL, LDA., regarding the infringement of intellectual or industrial property rights related to the Products supplied, the Supplier shall, where legally possible, request the immediate exclusion of HYPERMETAL, LDA., from the respective proceedings, reimbursing HYPERMETAL, LDA., for all costs and procedural expenses incurred by it, without excluding the compensation set out in Clause 4.2. In such case, HYPERMETAL, LDA., shall be entitled to automatically cancel all ongoing transactions upon notification by registered letter with acknowledgement of receipt, without prejudice to all rights and any proceedings that HYPERMETAL, LDA., may have or take against a Supplier.

## 11. Confidentiality

The Parties shall observe complete confidentiality of information relating to the Supply, regardless of the form of its transmission. All information provided by one Party to another on behalf of the Order is confidential. The Parties shall take all necessary measures to ensure that none of their employees, agents, actors, whether permanent or temporary, suppliers or subcontractors, communicate or disclose any of the confidential information to third parties, especially specifications, formulas, designs or drawings. The party that discloses confidential information will be held civilly and criminally liable if it violates this duty.

The confidentiality requirement shall be maintained for the entire duration of the execution of the Purchase Order and for a period of not less than ten (10) years following the supply.

## 12. Warranty

Unless otherwise stated in the Purchase Order, deliveries shall only be made to Hypermetal, Lda's premises, or to those indicated by HYPERMETAL, LDA., on working days and during business hours. The Supplier shall take into account the normal time required for unloading the material, which shall also take place during business hours unless prior agreement has been made between the parties.



HYPERMETAL, LDA., reserves the right to conduct any and all inspections of the Product, prior to delivery, at the Supplier's premises, as well as at its own premises or locations designated by it, after delivery, as well as the right to conduct audits to ensure that specifications and essential requirements are being met. The Supplier or any subcontractor shall, at its own expense, provide HYPERMETAL, LDA., with safe and convenient means of inspection. HYPERMETAL, LDA., shall be entitled to charge the Supplier for any additional inspection costs that result from such items not being prepared or available for inspection or testing, or if such inspection or testing is performed after rejection of any Product. The Supplier shall keep records of the inspection process for as long as requested. If no time limit is stipulated such records shall remain for a period of ten (10) years.

HYPERMETAL, LDA., shall have the right to reject any Product, in whole or in part, which does not conform, by simple letter, email or fax and, at its option, return it

to the Supplier for refund in cash or credit. HYPERMETAL, LDA., shall further be entitled to a full refund of all transportation, packaging or any other charges it incurs by reason of the receipt, reshipment or disposal of non-conforming or defective Products.

HYPERMETAL, LDA., may refuse the Product in the following cases:

- a) when the Product does not conform to the quantity or quality specifications contained in the Purchase Order;
- b) When it is not in accordance with the applicable legislation.
- c) When there is non-compliance with delivery dates and time.
- d) Excess or lack of Product in the delivery.

In the event of refused delivery, HYPERMETAL, LDA., may cancel the Purchase Order and purchase the Product from another Supplier. Any expenses, which are incurred because of the acquisition of this new product, shall be borne by the defaulting Supplier.

The Supplier is fully responsible for the design and/or manufacture of the Product and is liable for the technical options relating to its product, regardless of any assistance provided by HYPERMETAL, LDA., in the course of development, including where the Product has been approved by HYPERMETAL, LDA., during the analysis of initial samples.

The Supplier guarantees that its Product is free from any defects or malfunctions, apparent or otherwise, and that it will indemnify HYPERMETAL, LDA., against all direct or indirect



damages arising from any defects, in proportion to its liability and for the duration of Hypermetal, Lda's obligations to

its customers, buyers or users of its products in which the Products are integrated. The conditions for enforceability of this warranty may be detailed in a separate document sent by Hypermetal, Lda's Purchasing Department. The guarantees will not be limited to a period of less than ten (10) years when hidden defects of the Product are found.

At the end of the contractual warranty period, the Supplier shall remain liable for all direct or indirect consequences resulting from hidden defects that may affect the Product.

All clauses that reduce the guarantee provided herein shall be considered void.

The Supplier, for its guarantee, at its own expense and risk, shall take out an insurance policy with a suitable insurer of sufficient value to cover any acts giving rise to liability and undertakes to send evidence of the policy in question whenever requested in writing by HYPERMETAL LDA..

### 13. Termination

HYPERMETAL, LDA., may terminate its purchase obligations under an Order, in whole or in part, at any time by sending written notice of termination to the Supplier with a period of notice of not less than 30 days.

In the event of non-compliance with any contractual obligations, the contractual instrument may be terminated, as of right and without any additional formality, at the sole discretion of the party in compliance, who will send the defaulting party written notice to that effect. In this case, the termination shall occur after 8 (eight) days from the receipt of the registered letter with proof of receipt, remaining without effect in whole or in part during such period, without prejudice to the right of the defaulting party to request the competent compensation.

The Purchase Order may also be terminated, automatically and without any additional formality, in the following cases:

By force majeure;

In case of Supplier's insolvency;



if it becomes evident, at any time, that Supplier has not started in due time the execution of the Purchase Order or has failed to take the necessary measures to enable its exact fulfilment within the deadlines and other established conditions;

if it comes to Hypermatal, Lda's knowledge the improper use of material of its property, protected or not by the laws for the protection of intellectual / industrial property.

Vila Nova de Gaia, 13th January 2025