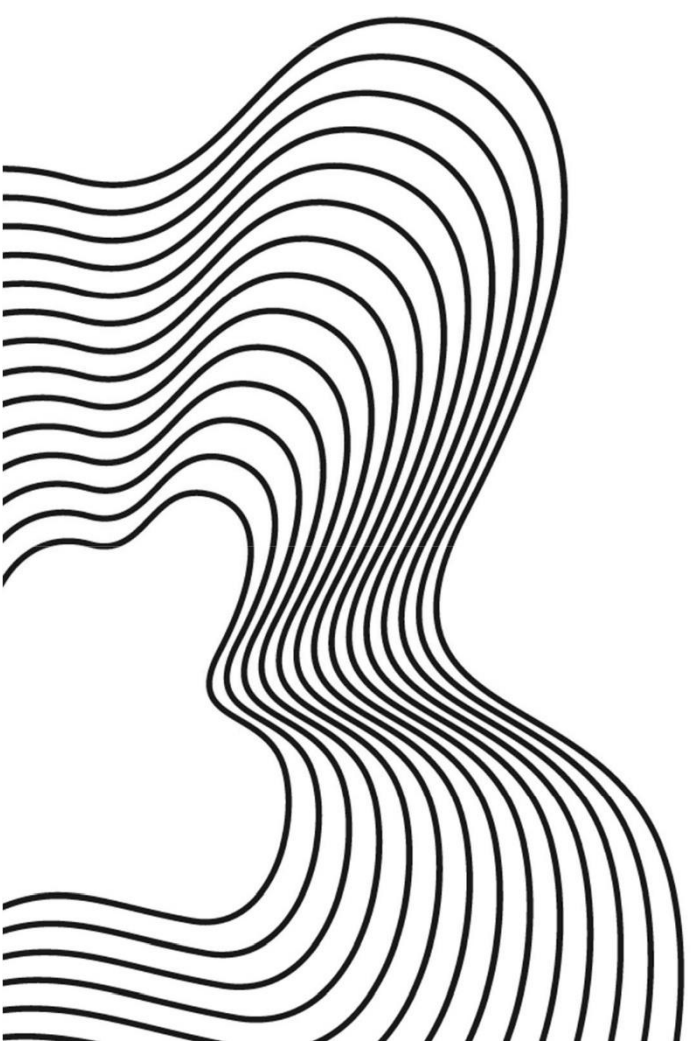


SUPPLIER CODE OF CONDUCT



1. Purpose

Grupo Bornay commits to its social, environmental and governance responsibility.

This supplier code of conduct is to define minimum standards related to sustainability, human rights, and business ethical principles for all suppliers of Grupo Bornay. It is therefore valid for our whole value chain. It contains a systematised compilation of guiding principles and rules of conduct for our suppliers. These are based on the following sources:

- Based on code of ethics & conduct Grupo Bornay
- Sustainability Policy Grupo Bornay
- Grupo Bornay Business Principles and Works Instructions
- Follows the UN's Universal Declaration of Human Rights

The latest version of the Supplier Code of Conduct is available on our webpage.

2. Requirements

Grupo Bornay asks its suppliers to follow as a whole group a set of principles related to all human beings involved directly or indirectly with the company, related to the resources used to run the business and related to the set of ethical guidelines for all company activities.

Ensuring Sustainable business is a key objective of Grupo Bornay. The acceptance of The Supplier Code of Conduct and its requirements are therefore a base to do business with Grupo Bornay. Based on that The Supplier that comply with all the Requirements of the Supply Partner Code of Conduct.

This supplier code of conduct is an integral part of the agreement between The Supplier and any member company of Grupo Bornay. He shall ensure that all Requirements of this Supply Partner Code of Conduct are cascaded to and complied with within its own operations and by its own direct suppliers. This shall be ensured through proper contractual wording or a fully implemented supplier code of conduct.

The Supplier shall operate honestly and be transparent with facts and data in relation to both Requirements.

The Supplier shall have a code of conduct in place clarifying The Supplier's rules of behaviour and proper conduct for The Supplier's Employees.

The Suppliers shall establish and maintain adequate management systems to oversee all elements of this Supply Partner Code of Conduct, in proportion to the size, complexity and risk environment of The Supplier's business.

Fundamental to all areas of this Supply Partner Code of Conduct and the baseline of all business with the Grupo Bornay, we require our Suppliers to be knowledgeable about and to comply with all applicable laws and regulations as well as the contractual terms and conditions agreed upon with Grupo Bornay.

Ultimately, Grupo Bornay states that a lack of cooperation, failure to address violations of the Requirements of this Supplier Code of Conduct and/or non-timely implementation of necessary corrective action plans may result in a reduction in business and, ultimately, an end to the business relationship with Grupo Bornay.

Grupo Bornay reserves the right to verify the compliance of The Supplier with this document, in some cases by an audit to be executed by a Grupo Bornay representative or a Grupo-Bornay-authorized third party auditor.

3. Scope

Grupo BORNAY refers to the group of companies made up of BORNAY S.L., COMERCIAL ALICANTINA S.L. and TUBOS Y FLEJES S.L.U.

It applies for all direct and indirect purchases of Grupo Bornay. The Supplier Code of Conduct applies to all Suppliers that deliver goods and/or services to any entity of Grupo Bornay, including their parent, subsidiary, or affiliate entities as well as their respective employees and agents (hereinafter individually and collectively referred to as “Supplier”).

Suppliers are expected to comply with applicable laws, regulations and other widely adopted norms like the UN Global Compact. This Code is not intended to conflict with any legal or regulatory requirements that otherwise apply to Suppliers. If compliance with this Code would result in violation of an applicable law or regulation, Suppliers should comply with the requirements of the applicable law or regulation.

The term “Employee” used throughout this Supplier Code of Conduct covers everyone working for or on behalf of a Supplier, including but not limited to full and part-time employees, consultants, contractors, trainees, temporary workers, migrant workers, senior management, and board of directors.

4. Vision

Grupo BORNAY, whose vision is be a trustworthy supplier of quality steel tubes, has the mission of acting as a team that constantly strives to make progress in providing service and developing the best relations between clients, distributors, suppliers, partners and the Company, aims to base its actions on the values that characterise it as a company; solvency, integrity, a vocation for service, innovation for leadership and team commitment.

Integrity, understood as the demand for ethical action that is socially responsible and generates commitment in the long term, is one of the essential values of Grupo Bornay and forms part of the Institutional, Business and Organisational Principles formally approved by the Board of Directors of its parent company.

Now, due to risks for the global society caused by climate change, for example, Grupo Bornay imposes itself to key social, ecological, and ethical standards that we expect our suppliers and sub-suppliers to share, too.

5. People

5.1. Modern Slavery and Forced Labour

Grupo Bornay will not tolerate forced labour or work that entails physical or psychological abuse, or the exploitation of vulnerable groups or illegal labour trafficking. It is strictly forbidden to oblige a worker to work or provide a service under threat of punishment if the worker has not volunteered to perform such work, such as obliging them to work overtime, withholding identity documents or human trafficking.

Consequently, The Supplier, including its recruitment agencies, shall not engage in or tolerate restrictions of movement, recruitment fees, confiscation of identity documents and/or passports, withholding of wages, abusive working conditions, debt bondage, violence or any other kind of exploitation or abuse.

5.2. Child Labour

Grupo Bornay does not tolerate child labour and Supplier shall prevent all forms of child labour and respect children's right to personal development and education.

The minimum working age is the age of completion of compulsory school, but never less than 16 years. Young Employees between the ages of 16 –18 years old shall not be exposed to work that is likely to harm their physical or mental health, safety, or morals.

The Supplier shall assure that the working schedule and working hours are in accordance with the local law but shall not establish night shift and overtime for young employees between the ages of 16-18 years old.

5.3. Wages and Benefits

The Supplier guarantees payment of the salary stipulated in the employment contract or of the basic or minimum wage established by applicable law of the country of employment and that comply with the applicable collective bargaining agreements.

The Supplier shall provide its Employees with information about their employment terms and conditions, including benefits, in a format and language they can easily understand, such as a written employment contract and a timely wage statement. Deduction from wages is permitted only if and to the extent prescribed by applicable law, regulations, or collective bargaining agreements.

5.4. Working hours and leave

Grupo Bornay requires that The Supplier respects the freedom of association and collective bargaining.

The Supplier shall always respect and comply with applicable laws and collective bargaining agreements, if applicable, on working and resting hours, including overtime working hours, as well as annual, sick and parental leave and any other applicable leave regulations. All overtime work by Supplier's Employees shall be on a voluntary basis.

5.5. Non-Discrimination and fair Treatment

The Supplier shall treat everyone with dignity and respect and provide equal employment opportunities and conditions based on the individual's ability to do the job, regardless of Employee or job applicant characteristics including but not limited to:

- gender, gender identity or expression
- age
- nationality, race, ethnicity, skin colour or cultural background
- religion or belief
- disability, genetics, or health information including pregnancy.
- sexual orientation
- union affiliation

Supplier shall not tolerate humiliating or physical punishment or allow any Employee to be subject to verbal, psychological, physical, or sexual harassment or abuse.

5.6. Freedom of Association and collective Bargaining

All employees of The Supplier are guaranteed the right to peaceful freedom of association and freedom of association at all levels, and, in political, trade union and civil issues that involve the right of all persons to form and join trade unions to protect their interests. The above also includes collective bargaining as a negotiation process between enterprises and a group of workers to reach an agreement that regulates working conditions.

Where local law sets restrictions on the right to freedom of association and collective bargaining, Supplier shall allow alternative forms of worker representation, association, and bargaining.

5.7. Health and Safety

The Supplier promotes the adoption of health and safety at work policies and implements the preventive measures established by current law with a view to attaining a high level of safety in its facilities and services. It also makes every effort to ensure that the partners and suppliers with whom it works apply its regulations and policies related to health and safety at work.

In turn, The Supplier will provide its staff with the necessary resources and knowledge to allow them to perform their work efficiently, safely and in a healthy environment. Consequently, all The Supplier's staff must know and comply with the provisions related to health and safety at work and guarantee their own safety and that of their colleagues, clients, suppliers, partners and in general, of all the people who could be affected by the performing of their professional activities.

The Supplier assures that policies will be applied for the prevention, recognition, evaluation, and control of risks in the workplace that could affect the health and well-being of the staff, considering the possible impact on neighbouring communities and on the environment in general. The health and safety system provides a series of procedures for identifying risks in the workplace and reducing accidents and exposure to dangerous situations and harmful

substances. It also includes training in accident prevention for staff and responding to the same, emergency procedures and the use of protective clothing and equipment.

Employees shall have ready access to free and clean drinking water, hygienic toilet facilities, hygienic food preparation, storage and eating facilities, adequate ventilation, light and temperature levels, and acceptable levels of noise and dust pollution (as applicable).

6. Resources

6.1. Responsible Sourcing of Minerals and Materials

Grupo Bornay requires all Suppliers to exercise adequate due diligence following the OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas¹⁵. Grupo Bornay requires specific focus on the sourcing, extraction and handling of tantalum, tin, tungsten, gold, hereinafter referred to as “Conflict Minerals”, as well as cobalt. Supplier shall upon request from Grupo Bornay submit a valid CMRT (Conflict Mineral Reporting Template) and/or CRT (Cobalt Reporting Template) report.

Supplier shall have a policy and process in place to ensure that any of these minerals contained in the products manufactured by The Supplier do not directly or indirectly finance or benefit armed groups that are perpetrators of human rights abuses or in any other way directly or indirectly contribute to human rights violations.

We require The Supplier to ensure that all smelters and refiners in its Conflict Minerals and cobalt supply chain take part and actively engage in third party audit programs and to provide any information on such smelters and refiners upon request to Grupo Bornay. Supplier shall also perform adequate due diligence for other materials that are, from time to time, identified by Grupo Bornay as being directly or indirectly contributing to violations of human rights and/or climate change, including to making a reliable determination of the origin and source of such materials.

The Supplier shall not directly or indirectly procure minerals or materials that contribute to illegal deforestation, and all timber products shall be either FSC¹⁶ or PEFC¹⁷ certified, sourced from plantation or recycled timber, or licensed under the FLEGT system¹⁸. Supplier shall furthermore not procure minerals or materials that are mined from the deep seabed or are sourced without respecting indigenous people (including their right to prior and informed consent), including to financing any of the activities mentioned above directly or indirectly.

Products made from or originating from endangered species shall not be supplied to the Grupo Bornay and Supplier may only use materials originating from species that are classified as “least concern (LC)” by the IUCN Red List.

6.2. Circular Economy and Waste Management

Supplier shall continuously demonstrate accountability and make efforts to optimize and explore circular business models for the products delivered to the Grupo Bornay, including its packaging, all in accordance with internationally recognized circular principles.

Supplier shall monitor, track and treat liquid and solid waste generated by its operations, industrial processes and sanitation facilities and foster opportunities for improvement and minimized waste.

Supplier shall monitor, track, design and optimize the composition of their packaging material which becomes waste at Grupo Bornay in line with Grupo Bornay packaging standards, e.g. utilizing non-complex materials and/or materials for which there are locally established recycling markets available.

6.3. Water Management

Supplier shall monitor, track and document its consumption of water to be able to identify aspects that Supplier can control and influence fostering opportunities for Improvement and minimized consumption.

Water shall be used and processed responsibly, being of most importance to Suppliers which are in areas affected by water scarcity and/or Suppliers with high water consumption. Supplier shall furthermore treat and clean all wastewater from its operations to a minimum level in accordance with applicable local legal requirements.

6.4. Substances of Concern

Supplier shall identify and declare potentially harmful substances as well as other critical materials in products delivered to the Grupo Bornay and upon request by Grupo Bornay, work actively to eliminate and phase out any such identified substances of concern.

To track and follow-up on substances of concern and critical materials, Material Data Sheet (MDS) registration is mandatory in due time for all raw material steel grades to Grupo Bornay, regardless of design date or application of the part or material and including spare parts and customer adaptation.

6.5. Energy Consumption

Grupo Bornay requires all Suppliers to monitor and reduce their energy consumption and to advance the use of renewable and alternative energy sources for their operations and logistics system.

Procurement or establishments of renewable energy sources under the responsibility of Supplier, for example windmills or solar panels, must always consider and respect the rights of local communities and indigenous people, including their right to prior and informed consent.

6.6. Net Zero Supply Chain

Grupo Bornay sets itself high targets to reduce its greenhouse gas emissions. All measures implemented shall be orientated to a net zero greenhouse gas (GHG) emission operation. Consequently, Grupo Bornay requests strong measures by its supply chain. All measures shall be orientated to a net zero greenhouse gas (GHG) emission operation by 2050.

To reach this target, all Suppliers shall, as a minimum and first step, develop and implement interim targets and a plan to reduce the GHG emissions of their own operations and logistic system, scope 1 and 2, in accordance with the 1.5-degree scenario as presented by the UNFCC Paris Agreement.

The plan shall be relevant for Suppliers' core business and contribute to relevant industry initiatives. Supplier shall monitor, track and document the progress of such plan and upon request by Grupo Bornay be open and transparent about its GHG emissions in accordance with above, including the results and progress of its emission reduction plan.

7. Business Ethics

7.1. Conflicts of Interest

The Supplier shall do business in an open and transparent way avoiding conflicts of interest that could interfere with objective and professional decision making. For that purpose, The Supplier must disclose any situation where a Grupo Bornay employee or professional under contract with Grupo Bornay have a personal interest of any kind in The Supplier's business or any kind of economic ties with The Supplier.

Similarly, The Supplier must report to Grupo Bornay any ownership or financial interest held in The Supplier by a government official that is affiliated with a Grupo Bornay Customer.

7.2. Anti-Corruption

The Supplier shall not take part in illegal or unlawful activities to obtain information on competitors (theft, eavesdropping, computer hacking, invasion of privacy, bribery, etc.).

Consequently, The Supplier shall not engage in, endorse nor tolerate, any form of bribery or corruption, directly or indirectly. Supplier shall not offer nor accept any form of improper benefit to or from a third party, private or public, with the purpose of obtaining or retaining business or any form of preferential treatment.

Supplier shall also refrain from proposing to Grupo Bornay any form of improper benefit. Such benefits may comprise not only cash but also job opportunities, favours, travel, facilitation payments, promises to pay debts or unlawful gifts and entertainment.

The Supplier shall not accept or offer, directly or indirectly, gifts, presents, donations, remuneration, promises or compensation of any kind whose objective is to influence or allow them to be influenced in an improper manner in their commercial, professional, or administrative relations with public and private entities (whether national or foreign).

7.3. Confidentiality and Intellectual Property Rights.

Supplier shall respect Grupo Bornay confidential information and intellectual property rights by safeguarding against misuse, mishandling, counterfeit, theft, fraud, or improper disclosure in accordance with applicable law and the Grupo Bornay contractual terms.

7.4. Fair Competition

Grupo Bornay believes in the importance of free and fair competition.

The Supplier shall compete successfully in the modern business world and will always do so in accordance with the applicable defence of competition, anti-monopoly, and fair-trade laws.

The Supplier shall not establish prices and commercial policies that are agreed, formally or informally, with competitors or other unrelated parties, whether directly or indirectly.

Customers, territories, and product markets shall not be distributed between The Supplier and its competitors but will also be the result of fair competition; and clients and suppliers will be treated fairly.

7.5. Information Security

Supplier shall safeguard Grupo Bornay information and take appropriate steps to protect its confidentiality, integrity, and availability.

Supplier shall follow locally and internationally applicable law for cybersecurity as well as ideally follow international best practices, such as ISO/ IEC 27000 or equivalent, including monitoring processes, to protect Grupo Bornay information from breaches, cyber-attacks, or cyber-incidents.

Board of Directors and Management Committee
of BORNAY, SL IBI, 1 October 2023