

redeia



GENERAL CONDITIONS OF  
CONTRACT FOR  
EQUIPMENT AND  
MATERIALS

1 May 2022

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## 1. PURPOSE AND SCOPE OF APPLICATION

1.1 This document contains the General Conditions of Contract (hereinafter referred to as “GCC”) that regulate the relationship between the companies of Redeia except for Hispasat, S.A., and its subsidiaries (hereinafter referred to as “Redeia” and each Redeia company, as the “Redeia’s Contract Company”) and the counterparty (hereinafter referred to as “Supplier”), for the supply of Equipment and/or Materials.

1.2 These GCC shall be applicable to all Contracts and Purchase Orders formalised by the companies that make up Redeia.

Similarly, and depending on the country in which the Redeia’s Contract Company resides, the corresponding Country Annex which contains specific or complementary regulations for the different countries in which Redeia operates shall be applicable.

1.3 Participation in a contracting process through the submission of an offer by the potential Supplier shall automatically imply knowledge and acceptance of these GCC in the event of being selected as the awarded bidder of the contract, in all that which does not conflict with or contradict the Conditions of the Contracting Process Documents.

1.4 These GCC are incorporated into the contractual relationship relating to the Supply of Equipment and/or Materials and shall govern, together with the rest of the Contractual Documentation, the reciprocal rights and obligations of the Parties, being excluded from the scope of application any other conditions of sale or of any other type that the Supplier may have established or call upon, unless there is a specific agreement to the contrary.

1.5 These GCC shall be applicable in all those matters not expressly regulated in the Contract or Purchase Order, or in any part of the Contractual Documentation, according to the order of priority that is established in Condition 2.

1.6 If the provision of the Supply involves the provision of Associated Services, the contracting terms and conditions for such additional supply shall be governed by these GCC, except for intellectual and industrial property matters, which shall be governed by the “General Conditions of Contract for Services” of Redeia.

1.7 Eventually, in the event that the Redeia’s Contract Company and the Supplier agree to any modification to these GCC, it must be formalised in writing, and accepted by both Parties, and shall only be applicable to the specific Contract or Purchase Order for which it has been agreed.

1.8 The GCC Document is available and published on the Redeia’s Contract Company’s website.

1.9 In the event of any discrepancy between the original text, in Spanish, of these GCC and its translation to other languages, the text of the original Spanish-language document shall prevail.

## 2. DEFINITIONS

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**2.1** For the purpose of these GCC, the following definitions, among others, shall be used:

**“Affected Party”** is any public offer, executive, employee or representative of: (i) any governing body, department or federal, state, autonomous, provincial or municipal agency of any state; (ii) any international organisation or its departments or agencies; or (iii) any company or other entity belonging to or controlled by the State, including public companies or others in the energy sector; as well as any political party or candidate for political office.

**“Approval”** is the previous process for a potential supplier to take part in a commissioning process, by virtue of which the equipment or material is subject to compliance verification of several checks and tests to ensure they meet the Redeia Contract Company’s specifications.

**“Associated Equipment and/or Materials”**: refers to all those goods, stock, equipment, reports, data, presentations, documents, software, materials and any other asset, in any format, provided by the Supplier to the Redeia’s Contract Company as a result of the performance of the Contract or Purchase Order, including (without limiting to) those goods detailed in the Technical Specifications or in another part of the Contractual Documentation.

**“Associated Services”** are those services related to the Supply or linked to the same that the Supplier must provide when both Parties have agreed to include them in the Supply of the Equipment and/or Materials and that are defined and detailed in the Contractual Documentation.

**“Bidding Documents on Procurement”** is the document that, within the framework of the contracting process, details the specific conditions and requirements the Supplier must meet to be able to submit its Offer and, eventually, be awarded the Contract or Purchase Order.

**“Claim”** has the meaning set in Condition 6.16.4.

**“Confidential Information”** has the meaning set in Condition 6.17.1.

**“Contract”** is the document that, validly signed, states the concurrence of wills between the Supplier and the Redeia’s Contract Company with respect to the provision of the Supply.

**“Contractual Documentation”** is the set of documents that regulate the legal relationship between the Supplier and the Redeia’s Contract Company and may be comprised of the following documents ordered by precedence in case of discrepancy among any of them, unless the Redeia’s Contract Company expressly states otherwise:

- a) Redeia’s Supplier’s Code of Conduct.
- b) The formalised Contract or accepted Purchase Order.
- c) The Quality Plan, if applicable.

- d) The Special Contract Conditions, if applicable.
- e) The Guarantees Policy in favour of Redeia.
- f) The Technical Specifications, if any.
- g) The Bidding Documents on Procurement.
- h) These GCC and, if applicable, the corresponding Country Appendix.
- i) The Supplier's Offer.

“**Country Annex**” is the document that includes the specific or complementary regulation of the country of residence of the Redeia's Contract Company.

Depending on the place where the Supply is hired, the corresponding Country Annex, attached to these GCC and containing specific or complementary regulations for such country, shall apply. The GCC shall be interpreted as a single document made up of this document and the corresponding Country Annex.

“**Data Processor**” is the natural or legal person, public Administration agency, service or other body that processes personal data on behalf of the Redeia's Contract Company.

“**Ethics Manager**” is the person appointed by Redeia to supervise the knowledge, application and compliance with Redeia's Code of Ethics and Conduct. In addition, Redeia offers its Suppliers the figure of the Ethics Manager, to collect and process, in a confidential manner and with the support of the Compliance area, complaints and breaches as related to the principles in the Groups RE's Supplier's Code of Conduct.

“**Files**” has the meaning set in Condition 6.22.4.

“**Interested party**” has the meaning provided in Condition 6.22.1.

“**KPIs**” are the indicators that allow to measure the Service Level agreed on the Contractual Documentation.

“**Offer**” is the proposal made by a potential Supplier within the scope of a contracting process, which shall be binding for the Supplier during the period stipulated and which shall not be binding for the Redeia's Contract Company until the corresponding Contract or accepted Purchase Order is formalised in agreement with these GCC. The Redeia's Contract Company reserves the right to accept or reject the Offer without resulting in any right to compensation for the potential Supplier. The Redeia's Contract Company shall not bear any expense arising from or related to the submission of the Offer by the potential Supplier.

“**Personnel**” is the set of employees, including executives, of the Supplier that shall participate or be involved in the execution of the Supply.

“**PPE**” refers to personal protective equipment to be used by the Supplier's workers to carry out their work.

“**Purchase Order**” is the document issued by the Redeia’s Contract Company for the contracting of the Supply. The Purchase Order shall be binding between the Parties provided that:

- (i) it has been issued by the Redeia’s Contract Company in acceptance of an Offer, and
- (ii) has been accepted by the Supplier, expressly.

The period of validity of the Purchase Order shall be extended until the end of the Supply, including the guarantee period.

“**Qualification Process**” is the process published on the area Suppliers on the Redeia’s Contract Company’s website by virtue of which a potential Supplier is classified selecting the supplies and/or services of its interest and certifies, for each selection, that it meets the minimum requirements set by the Redeia’s Contract Company and, therefore, may take part in contracting processes, including the applicable restrictions.

“**Quality Control Plan**” is the document compiling the activities, resources and actions specifying quality management in the provision of the Supply and, if applicable, the provision of Associated Services, and, in particular, the inspection points program and the list of operations and procedures applicable. Said document shall be prepared by the Supplier at the request, wherever the case, of the Redeia’s Contract Company, for the approval of the latter before starting the provision of the Supply.

“**Redeia’s Bank Guarantee policy**” is the document issued by Redeia, which is part of the Contractual Documentation which sets out and details the financial guarantees linked to Contract or Purchase Order and which shall be created in favour of the Redeia’s Contract Company. Redeia’s Bank Guarantee Policy is available on the Redeia’s Contract Company’s website.

“**Redeia’s Code of Ethics and Conduct**” is the higher internal rule from which all internal policies and rules for Redeia arise to ensure an ethical and responsible management. It has been developed taking into account Redeia’s structure and activities. Its purpose is to provide an ethical guide for all people who are part of Redeia in order for them to be aware and facilitate commitment to the ethical values, principles and conduct guidelines that should govern their professional activity within the scope of the organisation. Redeia’s Code of Ethics and Conduct document is available on the Redeia’s Contract Company’s website.

“**Redeia’s Compliance Policy**” is the higher rule in Redeia’s Compliance System and a key element thereof. It sets the principles that govern Redeia’s commitment to preventing, detecting and responding to any kind of conduct that contravenes the legal obligations and commitments undertaken voluntarily by Redeia, including in the criminal anti-bribery areas. Redeia’s Compliance Policy is available on the Redeia’s Contract Company’s website.

“**Redeia’s Contract Company’s Materials**” has the meaning given in Condition 6.16.7.

**“Redeia’s Supplier’s Code of Conduct”** is the document arising from Redeia’s Code of Ethics and Conduct that, as part of the Contractual Documentation, sets the minimum ethical, social and environmental requirements every Supplier must accept and comply with to collaborate with Redeia and undertake to apply in its own supply chain. Redeia’s Supplier’s Code of Conduct must be construed by the Supplier in accordance with Redeia’s Code of Ethics and Conduct. Redeia Supplier’s Code of Conduct document is available on the Redeia’s Contract Company’s website.

**“Related Parties”** has the meaning set in Condition 6.17.2.

**“Representative”** is the person appointed by each party in charge of solving any problems that may arise in the execution of the Contract or Purchase Order and, in the case of the Supplier, who represents the Supplier and is in charge of the Personnel participating in the Supply.

**“Service Level”** or **“SL”** or **“SLA”** is the level agreed by the Supplier and the Redeia’s Contract Company, through KPIs, regarding specific aspects set in the Contractual Documentation, determining the expected quality of the Services subject to the purpose of the Contract or Purchase Order.

**“Special Contract Conditions”** is the document agreed, in each case, between the Redeia’s Contract Company and the Supplier that compiles, for specific Supply, the additional conditions, clarifications or exceptions to these GCC. The Special Contract that may contradict these GCC, the provisions in the GCC shall prevail.

**“Subcontracting”** is Contracting carried out by the Supplier with third parties, natural or legal, or grouping thereof, by which they partially participate in the fulfilment or execution of the undersigned Contract or Purchase Order, without creating any legal relationship or any direct obligation of the Redeia’s Contract Company with said third parties.

**“Supplier”** is the individual or legal entity or grouping thereof, responsible for the provision of the Supply (and, if applicable, for providing the Associated Services), as a result of having been selected as the awarded bidder in a contracting process.

**“Supply”** is the delivery to the Redeia’s Contract Company of the set of Equipment and/or Materials defined and detailed in the Contractual Documentation.

**“Technical specifications”** is the document or set of documents, prepared, if applicable, for each specific Supply, which describes the technical requirements demanded by the Redeia’s Contract Company, the procedures for verification of such requirements, and the manner in which the Services shall be carried out.

**“Work Schedule”** is a programme that overall, contains the main activities and milestones of the Services in fulfilling the times of performance of the expected delivery times.



### 3. PURPOSE OF THE CONTRACT OR PURCHASE ORDER

- 3.1** The Supply of the Equipment and/or Materials the Supplier undertakes to carry out, including the provision of Associated Services, if applicable, shall be the object of the Contract or Purchase Order. The Supply of the Equipment and/or Materials shall include all transactions and works necessary to complete those in accordance with the Contractual Documentation.
- 3.2** In accordance with all the above, the purpose of the Contract or Purchase Order shall include, on the Supplier's behalf and at the Supplier's expense, but not limited to, the following:
- a) Training of the Redeia Contract Company's personnel for the operation and maintenance of the Equipment and/or Materials acquired.
  - b) Organisation of the Supplier's own personnel assigned to the execution of the Supply, ensuring at all times that their responsibilities and courses of action are clearly defined.
  - c) Processing and procurement of visas, authorisations and licenses required in/or for the performance of the Contract or Purchase Order, except for those that, due to their very personal nature, correspond to the Redeia's Contract Company. The Supplier shall provide the Redeia's Contract Company whatever is necessary or is at their disposal to process and procure such licences and authorisations.
  - d) Stockpiling of Equipment and/or Materials and all stages of manufacturing.
  - e) Performance of routine inspections, verification and testing required by regulation and those others that are required and specified by the Redeia's Contract Company in the Contractual Documentation in order to ensure the best execution of the Supply.
  - f) Painting, protection and packing, whether standard or special.
  - g) Transportation and necessary insurance to undertake the delivery of the Equipment and/or Materials in the conditions indicated in these GCCs.
  - h) Preparation and delivery to the Redeia's Contract Company, sufficiently in advance to enable its use, of all the documentation inherent to the fulfilment of the Contract or Purchase Order, such as drawings or blueprints, computer programmes, reports, manuals, instruction books, protocols, certificates of receipt, control and testing, and spare parts and tools list, as well as, if applicable, proof of compliance with the Service Levels defined through KPIs set to measure them.
  - i) Whatever other items specified in the Contractual Documentation.
- 3.3** No modification may be made to the purpose of the Contract or Purchase Order on the Supplier's initiative without the prior consent of the Redeia's Contract Company, and any modifications made shall not entail any variation or repercussion in the price or in the delivery period, unless such variation or repercussion had been previously specified by the Supplier and expressly



accepted in writing by the Redeia's Contract Company. Any amendments to the Contract or Purchase Order shall be construed restrictively within their amending scope and shall not constitute a new agreement, unless expressly indicated otherwise.

The Redeia's Contract Company's consent and acceptance shall not imply, in any case, any change in the Supplier's guarantee and liability in relation to the Contract or Purchase Order.

- 3.4** The Supplier must accept any extensions, modifications or reductions in the scope of the Contract requested by the Redeia's Contract Company, at the agreed prices, provided that such changes do not represent in total an increase or decrease of more than 20 per cent (20%) in the Contract or Purchase Order amount. This shall not imply, in any case, alteration of the Supplier's guarantee and liability in relation to the Contract or Purchase Order.

The new period for delivery, if applicable, shall be established by agreement of the Parties, following a reasoned proposal by the Supplier. Should agreement not be reached, the previous agreement shall be modified in proportion to the increase or decrease in the Contract or Purchase Order Sum.

- 3.5** The Supplier shall supply all the required Personnel and shall fully assume the organisation and management responsibilities as pertains to the execution of the aforementioned work.

## 4. ASSIGNMENT

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### **Assignment of Contract or Purchase Order by the Redeia's Contract Company, or substitution of the Redeia's Contract Company's contractual position**

- 4.1** The Redeia's Contract Company may singularly transfer by means of any legal transaction, its position in the Contract or in the Purchase Order, to any other company of Redeia. The Redeia's Contract Company shall notify at the earliest possible moment the transfer date and the identification data of the new Party of the Contract or Purchase Order.

The Redeia's Contract Company may not assign, in whole or in part, the rights or obligations arising from the Contract or Purchase Order to any third party not belonging to Redeia without prior authorisation in writing by the Supplier.

- 4.2** Furthermore, the Redeia's Contract Company may transfer its contractual position due to any kind of universal transfer (including, but not limited to, those derived of a merger, demerger, spin-off and global transfer of assets and liabilities) whether as a result of a voluntary universal transfer or because of enforcement of sectoral legislation applicable. The Redeia's Contract Company shall notify at the earliest possible moment the transfer date and the identification data of the new party of the Contract or Purchase Order.

### **Assignment of Contract or Purchase Order by the Supplier or substitution of the Supplier**

- 4.3 The Supplier may not assign, fully or partially, the obligations or rights arising from the Contract or Purchase Order, without the prior and express authorisation in writing of the Redeia's Contract Company.
- 4.4 Such authorisation must be requested to the Redeia's Contract Company in writing, specifying the assignee, and in time so as to avoid any delays in the provision of the Supply. Any assignment done without said authorisation shall be null and void for all intents and purposes.
- 4.5 The Supplier and the assignee are obliged to duly inform of the assignment, previously authorised, within five (5) calendar days following its formalisation. This due notice shall be done in writing, using the appropriate means to provide certainty and proof and shall be signed by a representative of the Supplier and of the assignee, and shall be addressed to the Redeia's Contract Company's Representative.
- 4.6 In the legal transaction that shall be formalised with the assignee, the Supplier shall expressly include the assignee's obligation to comply with any requirements included in the Contractual Documentation.
- 4.7 Be that as it may, the assignee assumes any rights and obligations, whether prior or subsequent to the assignment, resulting from the assigned Contract or the assigned Purchase Order and the other Contractual Documentation.

**Assignment of economic, commercial or financial rights and receivables**

- 4.8 The economic, commercial or financial rights and receivables derived from the Contract or Purchase Order shall not be assigned by the Supplier to any third party without prior due notification to the Redeia's Contract Company.

The Supplier and the third party are obliged to duly inform of the assignment, previously authorised, within five (5) calendar days following its formalisation. This due notice shall be done in writing, using the appropriate means to provide certainty and proof and shall be signed by a representative of the Supplier and of the assignee, and shall be addressed to the Redeia's Contract Company's Representative.

- 4.9 The assignment of economic, commercial or financial rights and receivables arising out of the Contract or Purchase Order does not exempt the assignor or assignee from prior liabilities arising from the Contract or Purchase Order that could be demanded from the Supplier, being subject to eventual compensations, withholdings or deductions by an amount to be fixed, responsibilities that the Redeia's Contract Company may apply because of the vicissitudes stemming from the contractual relationship with the Supplier, in accordance with this Contractual Documentation, and pursuant to the penalties that may be applied in the case of any possible breach or third party claim.
- 4.10 In accordance with the foregoing, the Supplier shall credibly notify the third party, or expressly record the proof on the legal transaction to be entered into by assignee and assignor, those terms and conditions to which the economic, commercial or

financial rights and receivables arising from the Contract or Purchase Order.

- 4.11 The Redeia's Contract Company may, with the sole prerequisite that it must notify the Supplier, assign its collection entitlements or payment obligations arising out of the Contract or Purchase Order to any other company belonging to Redeia.

## 5. SUBCONTRACTING

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- 5.1 The Supplier shall carry out the provision of supplies subject to the purpose of the Contract or Purchase Order, and, if applicable, the Associated Services, using its own means. Therefore, it may not subcontract, totally or partially, the performance of the purpose of the Contract or Purchase Order, without prior and express authorization in writing from the Redeia's Contract Company in compliance with current legislation. The maximum percentage of subcontracting shall be determined in each case by the Redeia's Contract Company.

Such authorisation must be requested to the Redeia's Contract Company through the area Suppliers in the Redeia's Contract Company's website, on which the information required so as to avoid any delays in the provision of the Supply shall be filed. Any subcontracting done without said authorisation shall be null and void for all intents and purposes.

- 5.2 In the event that it be granted, the authorisation from the Redeia's Contract Company to subcontract does not imply the start of a contractual or binding relationship between the Redeia's Contract Company and the subcontractor.

Without prejudice to the above, the Redeia's Contract Company may at any time monitor and inspect the work of the subcontractor, along with the fulfilment of its obligations. The subcontractor must provide the Redeia's Contract Company with all the collaboration that may be required for this purpose (documentation, reports, free access to its installations or premises, etc.). Such inspections shall be done in accordance with the provisions in Condition 6.8.2.

- 5.3 Should the Supplier be authorised to subcontract, the Supplier shall not be exempted from the obligation to monitor the activity of the subcontractor and shall be held accountable for the performance of the subcontractor and the full compliance with the Contract or Purchase Order, without prejudice to the liabilities that the Supplier may require from its subcontractors.

In any case, the Supplier shall be fully and solely liable to the Redeia's Contract Company regarding the performance of the Contract or Purchase Order.

- 5.4 The Supplier shall duly notify the subcontractor of the obligations undertaken pursuant to the Subcontracting, included in the Contractual Documentation and shall expressly record them in the business transaction to be executed among them, and shall monitor the performance of the activities carried out by the subcontractor.

When so requested by the Redeia's Contract Company, the Supplier shall make available all the documentation evidencing the provisions in this section.

- 5.5 The Redeia's Contract Company may order the Supplier to replace the

subcontractor at any time, if it considers, in its opinion, that the subcontractor jeopardises the correct and timely execution of the Contract or Purchase Order, pursuant to the terms and conditions for the execution of the works contained within the Contractual Documentation, without the entitlement to claim any type of compensation for such concept.

- 5.6** The Redeia's Contract Company shall not be liable to any subcontractor or any of the subcontractor's employees for any kind of claim. Accordingly, the Supplier shall hold the Redeia's Contract Company harmless from any claim the subcontractors or third parties may put forward regarding the subcontracted part of the Contract or Purchase Order and shall compensate the Redeia's Contract Company against any cost or expenses incurred in connection with such claims.

Similarly, the Redeia's Contract Company shall act in accordance with the provisions in Condition 6.18.3 and subsequent Conditions.

- 5.7** The Supplier is obliged to respect the economic and regulatory obligations set forth in the collective bargaining agreements of each country when so required by the applicable legislation. In addition, the Supplier shall be jointly and severally liable with the subcontractor for these obligations, including, but not limited to, payroll obligations, Social Security obligations, tax contributions and any insurance required by law concerning the workers employed in the provision of the Supply set forth in the corresponding Contract or Purchase Order.

## 6. PERFORMANCE OF THE CONTRACT OR PURCHASE ORDER

- 6.1.** The Supplier shall execute the Contract or Purchase Order at its own risk and peril, so the economic outturn shall be borne by the Supplier up.
- 6.2.** The Equipment and/or Materials which are object of the Contract or Purchase Order and, when applicable, the Associated Services to those, shall comply with the Contractual Documentation and all the instructions received from the Redeia's Contract Company.
- 6.3.** The Supplier must also fully comply with the Quality Control Plan which the Redeia's Contract Company may establish.
- 6.4.** The Supplier undertakes to keep the Redeia's Contract Company informed at all times regarding the performance of the Contract or Purchase Order, of the Service Level Agreements established and to report any incidents that arise in connection therewith during the Supply, providing the Redeia's Contract Company with any information that may be requested.
- 6.5.** The Redeia's Contract Company has the right to check and verify exact compliance by the Supplier with its contractual obligations, with all guidelines issued, as well as with the activities required for the correct performance of the Contract or Purchase Order.

Notwithstanding the above, the Supplier shall not be responsible for the defects in Equipment and/or Materials when they result from instructions or new specifications issued by the Redeia's Contract Company's inspectors other than

those in the Technical Specifications, to which the Supplier showed its express disagreement in a justified manner.

- 6.6. If the Redeia's Contract Company notices at any time that the Supplier fails to comply with what is provided in this Condition, the Redeia's Contract Company may, without waiting for delivery, reject the faulty goods and require them to be replaced or repaired, at the Supplier's sole expense, with no costs or expenses being borne by the Redeia's Contract Company as specified in Condition 6.8.10.
- 6.7. Unless otherwise agreed, the Redeia Contract Company's personnel and third-party personnel appointed by the Redeia's Contract Company to that end shall have access to the Supplier's workshops or storage premises and/or to workshops or storage premises of any of the Supplier's subcontractors (subject to early notice and during working times) to verify the manufacturing, inspection and testing stages and receive information regarding the manufacturing cycles, including the materials used by the Supplier to carry them out. The Redeia's Contract Company's personnel shall be accompanied at all times by the Supplier's personnel.
- 6.8. The Parties hereby agree that such accesses and the resulting feedback shall by no means interfere or limit the Supplier's autonomy in its execution of the contractual activities.
- 6.9. The Supplier undertakes to comply with the applicable legislation of the country in which the Equipment and/or Materials are to be supplied or the Associated Services are provided as well as adopt the necessary means for its fulfilment by assuming full accountability for any tax-related liabilities and damages that the Redeia's Contract Company may be subject to as a consequence of the Supplier's non-fulfilment of the obligations arising from said legislation.
- 6.10. The Supplier shall provide the Redeia's Contract Company the following information:

- a) The Supplier shall deliver to the Redeia's Contract Company a certification from the Tesorería General de la Seguridad Social (General Treasury of the Spanish Social Security) stating it is fully up to date with regard to contributions owed to the Social Security.

The Supplier expressly declares that all personnel participating in the performance of the contracted work are affiliated in the Régimen General (General Regime) of the Spanish Social Security.

The Supplier, as sole employer of all personnel providing the Supply, shall be responsible before Labour Administration and Social Courts for the proper performance and application of current laws related to its personnel, especially for all issues related to labour, social security, and health and safety at work.

At any time requested by the Redeia's Contract Company, the Supplier must certify compliance with such obligations and, in particular, being up to date in the payment of salaries and social security payments regarding the Personnel assigned to the Supply.

b) The following tax certificates, in accordance the tax law in force:

- Suppliers that carry out their business with a registered office in Spain:
  - Certificate of being up to date in the payment of its tax obligations, affecting the configuration of its business and activities.
  - Contractors and subcontractors' certificate of being up to date in the payment of their tax obligations, for the purposes set in section 43.1.F) of Act 58/2003, of 17 December, General Tax Act.

Both certificates must have been issued up to six (6) months before the formalisation of the Contract or Purchase Order.

- Suppliers that carry out their business without a registered office in Spain:
  - Should a tax treaty exist to avoid double taxation signed between the Supplier's country of tax residence and Chile, and the Supplier invokes the application of provisions of such treaty/agreement, the Supplier shall provide the Redeia's Contract Company with its corresponding certificate of tax residence certifying its tax residence for the purposes set out in the provisions of the relevant treaty, and for the purposes of classification of the type of income under such treaty, the Supplier shall take into account the interpretation of the taxation granted by the country of residence of the company of the Redeia's Contract Company. Said certificate must be delivered before formalising the Contract or Purchase Order and, additionally, together with the invoice issued by the Supplier. The Redeia's Contract Company shall not be responsible for payment delays that may result from not providing the tax residence certificate.

This certificate is valid for twelve (12) months from the date it is issued, unless, due to internal regulations of the Redeia's Contract Company's country of residence, a shorter validity period is established. Following the validity period, the Supplier must provide a new certificate.

Supplier's certificate of registration in the Registry of Intra-Community Operators and communication to Redeia's Contract Company of its complete VAT identification number in the event that it is registered in the European Union, for the purpose of applying the VAT Information Exchange System (VIES).

The Supplier shall deliver new positive tax certificates to the Redeia's Contract Company before the expiration of the twelve-month (12) period from the date the corresponding Tax Authority issued the previous certificates, unless the specific regulations of the tax certificate establish a different validity period, or should modifications occur regarding the circumstances determining its content.

The delivery of the new certificates within the aforementioned period shall be a necessary condition for payment of any Contract or Purchase Order amount.



- c) Where applicable, the Occupational Risks Assessment including the risks sheet, the appropriate safety measures and the preventive schedule depending on the activity to carry out, on the risks inherent to Redeia's premises where the Supply is to be provided and the delivered Technical Specifications.

The documentation shall be delivered by the Supplier using the means and IT applications the Redeia's Contract Company determines.

- d) If applicable, provide proof that Personnel has received the necessary training to properly perform the Supply, and, in particular, for the correct use of the machinery and other tools that shall be used at the provision of the Supply.

Proof of such training must be provided periodically at the request of the Redeia's Contract Company and always before accessing the Redeia's premises.

- e) Any other documentation that may be compulsory under current law (Safety study, etc.).

- 6.11. Maintenance, conservation, handling, transportation and return of any Equipment and/or Materials delivered by the Redeia's Contract Company for the provision of the Supply are the sole responsibility of the Supplier and shall be borne at its own cost and expense.

## 7. EMPLOYMENT & LABOUR LAW, OCCUPATIONAL HEALTH & SAFETY AND ENVIRONMENTAL OBLIGATIONS AND DUTIES

### **Employment & Labour Law and Occupational Health & Safety obligations**

- 7.1 It is the responsibility and obligation of the Supplier and its Personnel to comply with current Occupational Health and Safety laws standards, also as well as with the collective bargaining agreements of the sector or company, where appropriate.

To this end, the Supplier declares to be aware of all its obligations and duties regarding employment & labour law, social security, and occupational health & safety and prevention, whereby it is obliged to duly and correctly fulfil and comply with them. In particular, it is obliged to comply with the obligations and duties set out in the Country Annex, which depend on the country in which the Redeia's Contract Company resides.

- 7.2 The Supplier shall adopt the occupational health and safety risk measures for individual and collective protection that are required pursuant to applicable regulations, in order to achieve the safety of the workers against the risks derived from the activity object of the Contract or Purchase Order.

- 7.3 In case of doing works that are specifically governed by Redeia's internal regulation whose existence has been informed to be used as reference to the Supplier, whether in the Contract or Purchase Order, in the work order or any other means, the Supplier shall ask the Redeia's Contract Company for those regulations and, in an case, shall oversee that the Supplier complies with the safety and quality criteria therein and shall be obliged to use all safety systems



detailed by the Redeia's Contract Company.

In addition, since they are Supplies linked to works entailing special risks, the Supplier is obliged to adopt occupational health and safety measures applicable to the execution of works, set in the applicable regulations.

- 7.4 The Supplier shall organise its personnel assigned to the performance of the Contract or Purchase Order in such a way that its responsibilities and courses of action, separated from those of Redeia's Contract Company, are clearly defined at all times. Similarly, all the Personnel assigned to the Contract or Purchase Order shall have adequate expertise to develop the works under their scope, as well as the training and information necessary regarding occupational health and safety.
- 7.5 The Supplier shall provide its Personnel with the safety equipment and materials necessary, in accordance with the demands of the regulations previously mentioned.
- 7.6 The Supplier ensures that all Personnel providing the Supply for the Redeia's Contract Company has been qualified as apt in the medical examination done within a maximum of one (1) year in advance.
- 7.7 The Supplier shall be responsible for training its Personnel, especially the necessary training in the area of Occupational Risk Prevention in relation to the nature of the Contract or Purchase Order (information on: risks and safety measures of the product; information on tools and machines that are used in the performance of the Contract or Purchase Order; information on electrical installations and equipment; working at heights; working in confined spaces; use of specific machines and equipment) that must conform to the legality and the internal regulations of Redeia .

The Redeia's Contract Company shall be entitled to request that the Supplier provides the training certificate of the workers assigned to the performance of the Contract or Purchase Order.

- 7.8 Since they are Supplies linked to works entailing special risks, the Supplier shall be responsible for training its Personnel, especially the necessary training in regard to occupational health and safety, which should be legally adjusted, to the internal regulation of Redeia and, specifically, to that established in the safety document approved for the work in question.

The Redeia's Contract Company may request that the Supplier provides the training certificate of the Personnel assigned to the performance of the Contract or Purchase Order.

The Personnel shall use their own PPE for their work. Exceptionally, with the prior consent from the Redeia's Contract Company, the Personnel may use PPE that is not their own. In no case, shall the Personnel use PPE that is not their own and that requires training or whose inadequate use may entail a risk for the Personnel.

In everything not specifically governed in this Condition for Supplies linked to works entailing special risks, the "*General conditions of contract for Construction Works*" of the Redeia shall be applicable.

**7.9** The Supplier, during the term of the Contract or Purchase Order, undertakes to comply with the following obligations:

- a) Carry out the purpose of the Contract or Purchase Order in full compliance with the provisions of the same, as well as all applicable legal provisions, regulations, technical standards and requirements issued by the competent Authority that may be in force at any time of the performance of the Contract or Purchase Order, accepting responsibility for all relevant obligations and duties.
- b) Ensure that its Personnel are legally employed, that the Supplier complies with remuneration, tax and social security obligations provided for in the law and in the applicable Collective Bargaining Agreements.
- c) Respect all the legal regulations in force regarding occupational health and safety, as well as the environment.
- d) Take all necessary measures to allow the Redeia's Contract Company, or a third party appointed by it, to be able to identify its Personnel.
- e) Request express authorisation from the Redeia's Contract Company before subcontracting any activity of the Contract, always before the start of the subcontracted activity, pursuant to the terms established in Condition 5.
- f) Provide the Redeia's Contract Company with a nominal list with the names and surnames and the social security data of each one of the workers involved in the performance of the Contract or Purchase Order, whether own or subcontracted workers. The document must be certified by the competent Administration.

**7.10** The validity of the Contract or Purchase Order is subject to the delivery by the Supplier to the Redeia's Contract Company of all the documentation detailed in Condition 6.

**7.11** When, during the performance of the Contract or Purchase Order, occupational health and safety regulations are infringed by the Supplier or its subcontractors, the Redeia's Contract Company shall stop the works until the obligations imposed by the infringed regulation are met. In these cases, the Supplier shall bear the additional cost overruns caused by the stoppage of works.

**7.12** When, during the performance of the Contract or Purchase Order, a worker suffers an accident, the Supplier or its subcontractors shall immediately notify such accident to the Redeia's Contract Company's Representative and follow the procedures set in the regulations in force and/or the Contractual Documentation.

The Supplier shall investigate all its accidents and forward to the Redeia's Contract Company the investigation report(s). In addition, the Redeia's Contract Company may require the Supplier to forward accident rate reports of the Supplier or its

subcontractors through the digital channels and apps provided by the Redeia's Contract Company for such purpose.

- 7.13 Similarly, the Supplier shall report to the Redeia's Contract Company's Representative every accident occurred during the performance of the Contract or Purchase Order That may have cause material or personal damages, to investigate the accident or review the control measures set.
- 7.14 Similarly, the Supplier undertakes to provide the Redeia's Contract Company's Representative with the information regarding incidents occurred during the execution of the Contract or Purchase Order that have not caused material or personal damages, but could have potentially done so, so it can be used to prevent potential hazards.
- 7.15 When an accident or Incident of the kind described in the previous paragraphs demands, at the criteria of the Redeia's Contract Company, stopping the Services, the Supplier shall bear the costs resulting from the stop.

#### **Environmental obligations**

- 7.16 The Supplier undertakes to comply with the environmental legislation in force, the industry standards and other mandatory regulation, during the performance of the Contract or Purchase Order, provided equipment, substances, products and waste belonging to the Redeia's Contract Company are handled.
- 7.17 Regarding the Equipment and/or Materials supplied, the Supplier undertakes to comply with current environmental legislation regarding the use of hazardous or prohibited substances, proper packaging and labelling, transport conditions, emission of noise or odours.

In this regard, the Supplier undertakes to supply, whenever possible, Equipment and/or Materials with an ecolabel, as well as those that have a longer useful life, which represent a lower cost and have a lower waste generation potential, and that the elements or substances used in the Equipment and/or Materials are not carcinogenic or chemically unstable.

- 7.18 When the Equipment and/or Materials to be supplied consist of hazardous chemical products, the Supplier shall provide their safety data sheets including the information described the legislation applicable.

The Supplier, at the request of the Redeia's Contract Company, shall provide sufficient evidence to prove compliance with its environmental obligations.

- 7.19 The Supplier must ensure all its Personnel and subcontractors know the content of environmental specifications and obligations that affect them by virtue of the Contract or Purchase Order.
- 7.20 The Supplier undertakes to inform all its Personnel and subcontractors of the importance of controlling the effects deriving from the Supply on the environment, as well as the control means to be applied.
- 7.21 In order to respect such environmental commitments, the Supplier shall provide the Redeia's Contract Company, upon request, with any type of information related to the protection of the environment whenever it is required, including, but not

limited to, existing commitments, planned actions and the reduction or prevention of environmental damage and pollution. The Supplier shall immediately inform the Redeia's Contract Company and shall keep them informed of all the circumstances that may have a significant impact on the environment.

The Supplier undertakes to inform all its Personnel, agents, subcontractors, consultants and other persons working on its behalf of the importance of each and every one of the actions that may be necessary to limit the environmental consequences of emergency situations not foreseen in the execution of the Contract or Purchase Order.

- 7.22** The Supplier shall at all times release the Redeia's Contract Company and hold it harmless from any and all losses or damages arising out of any infringement of the environmental and waste control obligations or out of any breach of any environmental law, permit or authorisation.

Moreover, the Supplier shall keep the Redeia's Contract Company harmless from all the costs arising from restoring the environment affected by said loss or damage, which may have been caused to the environment in the development of its activities. This recovery must be done provided damage has been caused to the environment, whatever the damage.

## 8. PERFORMANCE SCHEDULE INSPECTIONS, TESTS AND ANALYSES QUALITY CONTROL

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### **Performance schedule**

- 8.1.** When required by the Redeia's Contract Company, the Supplier shall be obliged to submit a Schedule of works that shall require the Redeia's Contract Company's approval.

### **Inspections, verification and testing**

- 8.2.** The Redeia's Contract Company, if necessary, may conduct tests and inspections apart from those set forth in the Contract or Purchase Order. Those must be carried out by the Redeia's Contract Company's internal personnel or by third parties the Redeia's Contract Company appoints, provided said third parties are not direct competitors of the Supplier or its subcontractors.

The additional costs arising from said inspections, verification and testing shall be governed in accordance with the provisions in Condition 8.8.

- 8.3.** Without prejudice to the Redeia's Contract Company's inspection rights, the Supplier itself must perform, at its own expense, all the tests and verifications agreed to in the Contractual Documentation, which are required pursuant to official rules and regulations or which are usual in good practice.
- 8.4.** The Supplier shall notify the Redeia's Contract Company in writing at least twenty (20) days in advance of the dates on which these inspections, verifications and testing are to be performed, so that the Redeia's Contracted Company, either by itself or through a third party, may be present. Similarly, it shall also notify the Redeia's Contract Company of the results of the verifications and testing carried

out, certified with the corresponding certificates or protocols, even if the Redeia's Contract Company has been in attendance, whether on its own or through a third party.

- 8.5. Without prejudice to Condition 8.3, the inspections, verifications or testing shall be carried out, in the event they should be deemed applicable to the purpose of the Contract or Purchase Order, adjusting them to the Schedule of inspection points in the Quality Control Plan.
- 8.6. The Supplier may not start or start any manufacturing, construction or assembling phase before the inspections, verifications and testing have been completed satisfactorily, When preventive inspections, verifications and testing are required, or before obtaining the express authorisation in writing from the Redeia's Contract Company or following ten (10) days since the inspection, verification or testing notice from the Supplier without the Redeia's Contract Company giving instructions on the contrary.
- 8.7. Whenever provided for in the Contract or Purchase Order, in the case of the delivery of Equipment and/or Materials, the Supplier shall not initiate the packaging or shipping of any of the components of the Supply without previously fully presenting, subject to the approval by the Redeia's Contract Company, such components.
- 8.8. The Redeia's Contract Company, if necessary, may conduct tests and inspections apart from those set forth in the Contract or Purchase Order. If they show a satisfactory result for the Redeia's Contract Company, the additional costs in which the Supplier may incur shall be borne by the Redeia's Contract Company. In case of failure, the costs shall be borne by the Supplier.
- 8.9. The performance of inspections, verifications and testing, even if done to the Redeia's Contract Company's satisfaction, does not mean that the purpose of the Contract or Purchase Order meets all the agreed specifications nor that it shall necessarily be accepted by the Redeia's Contract Company; nor does it release the Supplier from its liabilities.

Neither shall such liability be excluded or reduced, or the Supplier be freed from its duty to perform what has been agreed, by any recommendations or remarks that the Redeia's Contract Company engineers or inspectors may have made during the performance of the Contract or Purchase Order on occasion of inspections, verifications and tests, unless these expressly modify the Technical Specifications.

- 8.10. Notwithstanding the right to terminate the Contract or Purchase Order, if the outcome of an inspection, or of a verification or testing process should not be satisfactory, or if the subject of the Contract or Purchase Order should not fulfil the agreed specifications or the established quality assurances, the Redeia's Contract Company may demand that the Supplier proceed in accordance with Condition 6.11.2, without waiting for completion of the Supply. The Redeia's Contract Company shall also have available the option envisaged in Condition 6.11.4.

Should the Redeia's Contract Company require the replacement of Equipment and/or Materials, these shall be clearly identified, and the Supplier shall not be

able to use them while performing the Contract or Purchase Orders.

- 8.11. The Redeia's Contract Company shall do its best so that the inspections, verifications or testing carried out, either by the Redeia's Contract Company by itself or through a third party, do not hinder the ordinary performance of the Contract or Purchase Order.
- 8.12. The demand, timing and conditions for the inspections, verifications or testing may in no case be invoked by the Supplier as a reason or ground for delay in the agreed date, unless for events attributable to the Redeia's Contract Company and recognised by it, or for causes of force majeure.
- 8.13. The Supplier is obliged to provide the Redeia's Contract Company inspectors with the assistance they may require during the inspections, verifications, and testing.

### **Quality control**

- 8.14. Quality control comprises the set of actions, activities and techniques necessary to provide sufficient confidence that the Equipment and/or Materials shall satisfactorily fulfil the conditions required by the Redeia's Contract Company and, where appropriate, by the corresponding technical standards.
- 8.15. The Supplier shall be solely responsible for the quality control of the Equipment and/or Materials object of the Supply, independently of the controls and tests carried out, or that the Redeia's Contract Company may require, by their own means or by those of a third party, without in any case these tests altering the obligations and responsibilities that exclusively rest on the Supplier. The specific quality control requirements for the Supply, as the case may be, shall be those that appear in the Technical Specifications.
- 8.16. The Quality Plan must comply with at least the following requirements:
  - a) Requirements of the applicable standards.
  - b) Requirements of the Contractual Documentation.
  - c) Materials to use.
  - d) Manufacturing, inspection, verification and testing schedules.
  - e) Definition of the requirements or conditions of storage, conservation, handling and transport.
- 8.17. If the Redeia's Contract Company disagreed, for justified reasons, with the Quality Control Plan submitted by the Supplier, the Supplier must amend it and the Contract or Purchase Order shall not enter into force until all the required corrections have been made in accordance with the amendments stated and is effectively approved by the Redeia's Contract Company.
- 8.18. The provisions in this Condition shall not be applicable when the Redeia's



Contract Company and the Supplier have entered into a previous quality agreement regarding certain equipment and/or materials, or when the Redeia's Contract Company authorises its delivery without the presence of its inspectors.

- 8.19. During the performance of the Contract or Purchase Order, the Supplier shall give the strictest observance to what is established in the Quality Control Plan approved by the Redeia's Contract Company.
- 8.20. Upon completion of the performance of the Contract or Purchase Order, the Supplier shall, when requested by the Redeia's Contract Company, deliver to it, for approval by the Redeia's Contract Company, a final quality control report, whose content must conform to the Contract or Purchase Order and the quality plan approved by the Redeia's Contract Company.

## 9. DELIVERY AND RECEPTION

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### Delivery times

- 9.1. The Supply of Equipment and/or Materials shall be done under the DDP (*Delivered Duty Paid*) mode, as set out in the Incoterms of the International Chamber of Commerce in force at the time of contracting, unless another mode is expressly stated in the Contract or Purchase Order.
- 9.2. If no specific date is provided in the Contractual Documentation, the period for completion shall start counting from the date the Contract was signed, or the Purchase Order issued.
- 9.3. The delivery of Equipment and/or Material shall be done on the date and at the named delivery points indicated to that effect in the Contractual Documentation.
- 9.4. Bringing forward the completion date, reducing the execution or delivery deadline or changing the delivery point shall require previous express approval from the Redeia's Contract Company. In such a case, the aforesaid authorisation shall not result in the advance payment of all or part of the price, being the payment terms those laid out in the stipulations of the Contractual Documentation, nor would it affect the guarantee periods, which shall start counting from the expected date therein.
- 9.5. The Supplier undertakes to comply, not only with the final delivery date set in the Contractual Documentation, but also with each and every one of the partial dates that may have been established for specific phases of the Supply.
- 9.6. Delivery dates may not be delayed, nor periods for delivery extended, except for reasons attributable to and recognised by the Redeia's Contract Company or due to force majeure. If for reasons attributable to the Redeia's Contract Company recognised by it, the Supplier may have right to extending the delayed period. In case it is due to force majeure reasons, it shall be subject to the provisions in Condition 6.20.7.

In order for the delay determined by such events or causes to be taken into account, it is an essential prerequisite that the Supplier notifies their start



and end date to the Redeia's Contract Company in writing within five (5) business days after they occur.

- 9.7. The Supplier undertakes to use all the means reasonable available, at its sole expense, to make up, in the shortest time frame possible, any delay in the delivery dates, even when such delay is justified.

#### **Notice of Delivery**

- 9.8. The Supplier shall confirm to the Redeia's Contract Company, with no less than fifteen (15) days' notice, the date on which the Supply shall be delivered.

Similarly, the Supplier agrees to immediately notify the Redeia's Contract Company of any circumstance that could alter the established delivery deadlines.

- 9.9. In the event of breach of the notice conditions above, the Redeia's Contract Company may reject the delivery, and the resulting costs shall be borne by the Supplier.
- 9.10. Without prejudice to the consideration that the delivery date set in the Contract or Purchase Order has been considered met, the Redeia's Contract Company reserves the right to postpone any dispatch or shipping of Equipment and/or Material until the time period is fixed in the Contractual Documentation.

Unless the Redeia's Contract Company specifies another date, the postponement shall be one (1) month from the agreed date, and the Supplier may not charge the Redeia's Contract Company for this postponement and is obliged to bear the storage and insurance costs.

If delay of the delivery or issuance date was to be extended for a longer time, the Supply shall be considered to be delivered following the aforesaid time period, and the parties would establish compensation for the ensuing storage and insurance expenses by mutual agreement.

#### **Delivery conditions**

- 9.11. All the Equipment and/or Material shall be properly identified, indicating the number of packages, as well as their weights and sizes, along with the appropriate information, and labelled so that they can be easily received at their destination, accompanied by a delivery note or a bill of lading of the corresponding country, presented in duplicate, which shall include the information specified in the Contractual Documentation.
- 9.12. At the time of communicating the notice of delivery of fifteen (15) days prior to the effective delivery, the Supplier shall provide all the technical documentation and testing protocols provided in the Technical Specifications and in the Contractual Documentation, if applicable, for their validation by the Redeia's Contract Company. In addition to the aforesaid documentation, the Supplier shall also certify, at the request of the Redeia's Contract Company, where appropriate, that the raw materials, materials and the brands and types of all the components

are identical to those that were the subject to the standardisation certificate approval.

- 9.13. If the type of Equipment and /or Material should so require, the Supplier shall be obliged to obtain, from the competent agencies, authorities and administrations, the pertinent permits, licenses or administrative authorisations of all kinds required for transport. The Supplier shall bear all costs related to any work this may entail, such as transit detours, etc., along with all the expenses or duties associated to obtaining the necessary permits and authorisations.
- 9.14. The costs of transport and delivery, including unloading, shall be borne by the Supplier.

**Reception of Equipment and Materials Rectification of faults or defects identified**

- 9.15. The Redeia’s Contract Company’s reception of the Equipment and/or Materials subject to the purpose of the Contract or Purchase Order shall be formalised by signing the corresponding delivery notes. However, the signing of delivery notes does not imply affect acceptance by the Redeia’s Contract Company of the specified quantity or the quality of the Equipment and/or materials received. Said acceptance is always subject to the outcome of the inspections, verifications, or testing.
- 9.16. When the inspections, verifications, and testing are required, within the ten (10) days following their execution, a delivery reception report shall be issued, in which reference shall be made to the satisfactory result of the the inspections, verifications, and testing. Following such period, if not issued, it shall be understood the report has tacitly been issued, provided there is no breach by the Supplier. In such cases, the Redeia’s Contract Company shall issue a certificate number, within a reasonable period.

The omissions and deficiencies that may be found and stated in the report, shall be rectified or corrected without delay by the Supplier, after which new the inspections, verifications, and/or testing shall be performed, unless the Redeia’s Contract Company specifically exempts the need for them.

- 9.17. In the event any or all the provisions in the Contract or Purchase Order are deemed breached, the Redeia’s Contract Company shall report such circumstance to the Supplier so the Supplier rectifies the faults or defects identified, stating in writing the time granted to do so and the guidelines it deems appropriate.
- 9.18. If the Supplier does not rectify in due time the faults or defects identified and reported, the Redeia’s Contract Company may apply penalties to the Supplier due to the lack of rectification of defects in due time, as provided in Condition 14.
- 9.19. In case the Supplier should not proceed to rectify the faults or defects identified and reported or if these could not be rectified, the Redeia’s Contract Company may impose penalties on the Supplier for not proceeding to rectify or for the defects that cannot be rectified, as provided in Condition 14, and shall be exempt from the obligation to pay the price or, if applicable, shall have right to recover the

price paid, notwithstanding the possibility of the Redeia's Contract Company claiming damages.

- 9.20.** The time given by the Redeia's Contract Company to the Supplier to rectify the faults or defects identified shall in no case be considered an extension of the term under the contract. As a result, the Supplier may be applied penalties and be held liable for damages resulting from breach of its obligations.

#### **Transfer of ownership and risk**

- 9.21.** The ownership of the Equipment and/or Materials, if any, as well as of the risks inherent to the ownership and possession, including loss and damage risk, shall be understood as transferred to the Redeia's Contract Company when they are received and approved, unless otherwise provided in Condition 11.

In the event of partial deliveries, such transfer shall take place when each of them is received and approved.

- 9.22.** When the Redeia's Contract Company requires storing in the Supplier's premises the Equipment and/or Materials whose ownership has been transferred, in accordance with the provisions above, the risks associated to the storage and transportation shall be borne by the Supplier until they are delivered in the location agreed in the Contractual Documentation.

## **10. PACKAGING**

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- 10.1.** The packaging of the Supply shall comply with the Technical Specifications or, in their absence, with the specific requirements of the Equipment and/or Materials items, so as to avoid their deterioration in transport and handling, and to allow them to be identified (Purchase Order number, number of packages, items, weight, sizes, type of item and manufacturing certificates, and expiration date, if applicable).

## **11. SUPPLIER'S GUARANTEES**

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- 11.1.** Following the nature of the purpose of the Contract or Purchase Order, the Supplier ensures the Redeia's Contract Company that the Equipment and/or Materials supplied:
- a) fulfil the agreed specifications and the applicable rules and regulations, good practice terms and standards, are suitable for the intended use and comply with the demanded quality requirements.
  - b) are suitable for their purpose and are exclusively owned and are in perfect condition and work perfectly fine and in a normal way.
  - c) are free of defects in their design, material, manufacturing, workforce (referring either to the Supplier's own workforce and that of its subcontractors), functioning or performance defects and of hidden vices.
  - d) are free of liens and encumbrances, and specifically, are not embargoed or

in the process of being embargoed or affected by any type of chattel mortgage or pledge without transfer of possession, or any other charge or levy related to the property.

e) include, if applicable, exercise of the rights provided in Condition 16.

**11.2.** According to such guarantee, the Supplier is obliged to:

- a) replace any Equipment and/or Materials that fail to comply with what has been agreed or specified, whether they are unsuitable, of deficient quality or are used.
- b) completely replace the Equipment and/or Materials supplied or provided by the Supplier in the event of serial defects, and justify the solution adopted so that those defects do not occur in the rest of Equipment and/or Materials pending delivery. A defect shall be considered serial when the percentage of defective Equipment and/or Materials subject to the purpose of the Contract or Purchase Order exceed what is established therein or, in the absence of contractual regulation, ten per cent (10%) of the total sum for the Equipment and/or Materials.
- c) adjust, repair or replace the Equipment and/or Materials that have any design, material, manufacturing, workmanship (both the Supplier's own and that of its subcontractors), functioning and performance defects.
- d) correct or remedy any poorly executed work and/or rebuild or reassemble it or provide the Supply again.
- e) provide the spare parts necessary for the maintenance of the Equipment and/or Materials, for a period of ten (10) years from the receipt and acceptance by the Redeia's Contract Company.

The decision to adjust, repair or replace the defective components shall be taken by the Redeia's Contract Company based on the unbiased criteria of its technicians, in accordance with the prescriptions set in the Contractual Documentation.

**11.3.** The guarantee obligation does not cover flaws or defects that may occur in the Equipment and/or Materials as a result of improper use on the part of the Redeia's Contract Company, except when said use is due to errors or confusing information in the manuals provided by the Supplier.

**11.4.** Any adjustments, repairs or replacements required in order for the guarantee commitment to be met shall be made solely at the expense of the Supplier, with no costs or expense being borne by the Redeia's Contract Company, and the Supplier shall moreover cover any costs incurred thereto by the Redeia's Contract Company, such as those of disassembly, transport, insurance and packaging for the return of the materials and the assembly and custody of their replacements, as well as taxes and other similar expenses.

**11.5.** The guarantee obligation shall be carried out within the time period

indicated by the Redeia's Contract Company, and shall be performed in the least prejudicial or damaging manner for the Redeia's Contract Company and without incurring in delays in the delivery of the Equipment and/or Materials or stoppage of premises, or should this not be possible, to keep such delays to a minimum or to minimise any kind of stoppage time, total or partial, in premises.

- 11.6. If the Supplier fails to fulfil, with the required promptness, its guarantee obligation, or fails to carry out contracted works in the agreed period, the Redeia's Contract Company may do it on its own or with third parties at the Supplier's expense and without voiding the guarantee. The Supplier shall be obliged, also, to compensate the Redeia's Contract Company for any damages it may have caused.
- 11.7. The warranty period for the Equipment and/or Materials is extended for the period provided in the Contract or Purchase Order or, by default, for two (2) years to start counting from the receipt and acceptance of the Equipment and/or Materials by the Redeia's Contract Company or, if applicable, from each of the partial deliveries provided in the Contractual Documentation.
- 11.8. The period of such guarantee shall be interrupted, and consequently extended for the period of time given over to repair and correct the work in compliance with the guarantee.
- 11.9. These repairs or replacements shall fall under a warranty from their completion until the initial warranty period is up and, additionally, for a period agreed by the parties that, by default, would be twelve (12) months to start from when the initial warranty period is up.
- 11.10. The expiration of the guarantee period does not release the Supplier from any liability for visible or latent defects, or from other liabilities under applicable law.
- 11.11. When the warranty period is up, the Redeia's Contract Company may proceed, by itself or through third parties, to freely modify or vary the Equipment and/or Materials subject to the purpose of the Contract or Purchase Order in accordance with the provisions in Condition 16.

## 12. FINANCIAL GUARANTEES (PERFORMANCE BOND)

- 12.1. The Supplier shall establish a financial guarantee (performance bond) in accordance with the provisions set forth in Redeia's Performance Bank Guarantee Policy which shall be included as part of the Contractual Documentation, to face compliance with all the obligations arising from the Contract or Purchase Order.
- 12.2. The provision of the financial guarantee (performance bond) does not mean that the liabilities that may be demanded from the Supplier by reason of the Contract or Purchase Order are limited to its amount or period of validity and constitute only a means to facilitate their effectiveness.
- 12.3. If the total amount of the Contract or Purchase Order is increased during its

execution, the Redeia's Contract Company may request from the Supplier a complementary financial guarantee (performance bond), of the same characteristics as the previous one, for ten per cent (10%) of the increase of the Contract or Purchase Order, within the following fifteen (15) days following the date in which this increase is formalised.

- 12.4. The financial costs of the performance bond (financial guarantee) shall be borne by the Supplier.

## 13. CERTIFICATION, PRICE, INVOICING AND PAYMENT

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### Certification

- 13.1. The Redeia's Contract Company shall approve the provision of the Supply, creating a certification number that shall be provided to the Supplier, so it is included in the invoice.

### Price

- 13.2. The price of the Contract or Purchase Order includes everything within the scope of the same, in accordance with the Contractual Documentation, and whatever the Supplier must provide or do for its fulfilment, the industrial benefit, as well as whatever expenses or charges are required for its fulfilment, with the sole exception of the concepts or services that have been expressly excluded.
- 13.3. The price includes all taxes (excluding VAT or equivalent tax corresponding to the country of residence of the Company of the Redeia's Contract Company), fees, contributions, duties and excise taxes that may have an impact on the object of the Contract or Purchase order, or those that may accrue under the same. The Redeia's Contract Company may withhold from the payment of the price the amounts resulting from the application of the current regulations and from writs and notices issued by Public Administration bodies and the courts.
- 13.4. The contractual prices are unalterable. Price increases above those established in the Contract or Purchase Order shall not be permitted, nor shall additions thereto, except in cases where a price revision system is established for specific conditions that may apply. In the case of price revisions, the prices that result from the revision process shall not be applicable to the Equipment and/or Materials supplied, or the Associated Services provided prior to the express approval by the Redeia's Contract Company, in writing, of said price revisions.
- 13.5. Payment shall not be made for Equipment and/or Materials not included in the Contract or Purchase Order unless their execution had been previously submitted in writing by the Supplier, clearly stating the price, and accepted, also in writing, by the Redeia's Contract Company.

### Invoicing

- 13.6. Unless stated otherwise in the Contractual Documentation, all invoices must be submitted in the manner indicated in the *e-Billing* section published on the website of the Redeia's Contract Company, complying with current fiscal/tax and mercantile requirements, including the Order or Contract number and the



certification reference. The foregoing must be completed with the provisions of the corresponding Country Annex depending on the country in which the Redeia's Contract Company resides.

- 13.7. The date of each invoice shall coincide with the date of delivery of the Equipment and/or Materials object of the Supply and cannot be prior to the date on which, according to the Contractual Documentation, the issuance of the same should take place. Invoices can only be issued for the Equipment and/or Materials that have been received and delivered in accordance with the delivery deadlines.
- 13.8. Invoices shall be accepted provided they include the Purchase Order and the certification number, referring to the Supply subject to the purpose of the Contract or Purchase Order and whose amounts are compliant with the approved prices.
- 13.9. In those particular cases in which partial invoicing is admitted because the purpose of the Contract or Purchase Order so justifies it due to its nature or execution schedule, the invoicing periods shall be linked to the work milestones and/or actual deliveries that have been agreed between both Parties, in accordance with the established Performance Schedule.
- 13.10. The invoices generated due to price revisions, in cases where it is deemed applicable, shall be issued separately from the invoices corresponding to the base prices and shall include the detail of the application of the agreed revision formula and the documents that justify it.
- 13.11. Should the aforesaid requirements not be met, the invoices shall not be accepted by the Redeia's Contract Company.

### **Payment**

- 13.12. Payments shall always be made against the invoice submitted by the Supplier, duly issued in accordance, through bank transfer into a current account or *confirming* bank or, exceptionally through other legal and valid means of payment, according to the purpose of the Contract or Purchase Order, respecting the maximum periods established under current legislation. If applicable, withholding shall be made on the corresponding performance bond.
- 13.13. All payments corresponding to partial invoices that are made before the provisional reception of the Equipment and/or Materials, subject to the purpose of the Contract or Purchase Order, shall be on account of the Contract or Purchase Order Sum. To this effect, where applicable, payments made upon delivery of the technical documentation shall be considered as advances.
- 13.14. At all stages of the service, the invoice payment shall be conditioned by the Supplier's fulfilment with the Contractual Documentation, as well as the documentation made from time to time available to the Redeia's Contract Company and the documentation provided in Condition 6.10.
- 13.15. Payments shall be made respecting the maximum periods established under current legislation of the country of residence of the Redeia's Contract Company.



**13.16.** In the event that the Redeia's Contract Company confirms that the Supplier is in breach of its obligations that may result in joint and several liability, subsidiary or other direct action against the Redeia's Contract Company, regardless of whether the Contract or Purchase Order is terminated or not, the Redeia's Contract Company may, as soon as it becomes aware of such circumstances, proceed to withhold all payments that for any reason are pending to be made to the Supplier, in accordance with the provisions in Condition 6.15.17, in sufficient amount to cover said liabilities and may even pay such obligation commitments on behalf of the Supplier.

This right to withholding and payment on behalf of the Supplier shall be extended to all damages and losses arising from breach of the Contract or Purchase Order or guarantee of the Agreement, or any case from which a liability for the Redeia's Contract Company may arise.

The Redeia's Contract Company shall be entitled to withhold and offset the amounts pending payment to the Supplier, in the amount that the latter in turn owes to the Redeia's Contract Company or to any of the companies of Redeia. The Redeia's Contract Company shall inform the Supplier in writing of its intention to apply the corresponding withholding or offset reasonably in advance so the Supplier may amend the lack of compliance.

**13.17.** The payment of the price does not imply that the Redeia's Contract Company considers the Contract or Purchase Order fulfilled by the Supplier or that it waives any of the rights to which it may be entitled in respect of the Supplier. The Redeia's Contract Company expressly reserves such rights, notwithstanding the payment made.

## 14. PENALTIES

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**14.1.** Without prejudice to that set forth in Condition 15, the Redeia's Contract Company shall impose to the Supplier the penalties set forth in this Condition.

**14.2.** The penalties applied may not, as a whole, exceed fifteen per cent (15%) of the Contract or Purchase Order Sum. "Contract or Purchase Order Sum" means the total sum initially agreed plus any adjustments due to changes, extra works, price revision or any other cause.

**14.3.** The Redeia's Contract Company may collect the applicable penalties by deducting the amount of the penalty from any kind of pending payment due to the Supplier, by executing any performance bond (financial guarantee) established by the Supplier, by both means or by any other legal way chosen by the Redeia's Contract Company (including withholding payment of invoices concerning other Contracts or Purchase Orders). If there were no pending payments, the penalty shall be paid by the Supplier as a business debt.

**14.4.** The Supplier is obliged to compensate for any potential damages caused which have not been covered by the possible penalties applied, in accordance with the Conditions 6.18.4 and 6.18.5.

### **Penalties for delays in the performance of the purpose of the Contract or Purchase Order**

- 14.5. Lack of compliance by the Supplier with the delivery times set in the Contract or Purchase Order, whether partial or final, shall be subject to penalty in accordance with the provisions in this Condition.
- 14.6. If such penalty has not been specified, the penalty amount shall be one per cent (1%) of the Contract or Purchase Order Sum for every calendar week of delay up to a maximum of ten per cent (10%) of the total Contract or Purchase Order Sum.
- 14.7. The making up of the delays of delivery dates or partial execution deadlines shall result in the refund of the corresponding applied penalties once deducted the major costs and expenses that such delays may have caused to the Redeia's Contract Company.
- 14.8. Penalties for late delivery shall be applied automatically once the deadline has passed and without the need to give prior notice of non-payment.
- 14.9. When the penalties applied reach ten per cent (10%) of the total Contract or Purchase Order sum price, the Redeia's Contract Company may terminate the Contract or Purchase Order due to default by the Supplier, in accordance with the provisions in Condition 15.
- 14.10. If, within the guarantee period, the Redeia's Contract Company, should be deprived of the use and possession of any of the contracted Equipment and/or Materials, due to defects, flaws or breakdowns that may have occurred or observed in them, or due to the works necessary to correct them, pursuant to such guarantee, the Supplier shall be sanctioned with the penalty as stated in the Contract or Purchase Order, or if not specified, with zero point one percent (0.1 %) of the Contract or Purchase Order Sum per day the equipment or materials are unavailable.

### **Penalties due to defective rectification or waiver to rectify by the Supplier**

- 14.11. In case the Supplier should not proceed to rectify the faults, defects or shortcomings identified by the Redeia's Contract Company in the prescribed time-limit, the Redeia's Contract Company may impose a penalty on the Supplier.

If such penalty has not been specified, the penalty amount shall be one per cent (1%) of the Contract or Purchase Order Sum, per calendar week of delay.

- 14.12. Furthermore, the Redeia's Contract Company may impose a penalty on the Supplier if at any time before the deadline to rectify is granted, the Supplier waives to rectify such defects or shortcomings.

If such penalty has not been specified, the penalty amount shall be ten per cent (10%) of the Contract or Purchase Order Sum.

### **Penalties for breach of occupational health and safety matters**

- 14.13. In the event the Supplier does not meet the safety measures foreseen in the Contractual Documentation or in the applicable rules, or those adopted by the

Redeia's Contract Company, the Redeia's Contract Company may apply a penalty to the Supplier.

If such penalty has not been specified, the penalty amount shall range, depending on the severity of the breach, between zero point five per cent (0.5%) and two per cent (2%) of the Contract or Purchase Order Sum.

- 14.14.** In the event the Supplier does not attend the safety meetings called by the Redeia's Contract Company, nor does it present justification for the absence, the Redeia's Contract Company may apply a penalty to the Supplier.

If such penalty has not been specified, the penalty amount shall be zero point one per cent (0.1%) of the Contract or Purchase Order Sum due to lack of attendance.

- 14.15.** In the event the Supplier does not meet its communications obligations in due time on information regarding incidents or hazards, in accordance with the provisions in Condition 7, the Redeia's Contract Company may apply a penalty to the Supplier.

If such penalty has not been specified, the penalty amount shall be zero point one per cent (0.1%) of the Contract or Purchase Order Sum per day of default.

**Penalties for non-compliance with aspects regarding quality**

- 14.16.** If the Redeia's Contract Company identifies that the Equipment and/or Materials are of a lower quality than that defined in the Contractual Documentation, and that there are faults the Supplier has not reported to the Redeia's Contract Company, the Redeia's Contract Company may apply a penalty on the Supplier.

If such penalty has not been specified, the penalty amount shall be zero point one per cent (0.1%) of the Contract or Purchase Order Sum due to lack of attendance, per every defect detected.

**Penalties for non-compliance with aspects regarding the environment**

- 14.17.** In the event the Supplier does not meet its environmental obligations foreseen in the legislation applicable in the country where the Supply is provided, or the measures adopted by the Redeia's Contract Company during the execution of the Contract or Purchase Order, the Redeia's Contract Company may apply a penalty on the Supplier.

If such penalty has not been specified, the penalty amount shall range, depending on the severity of the breach, between zero point five per cent (0.5%) and two per cent (2%) of the Contract or Purchase Order Sum.

- 14.18.** In the event the Supplier does not meet its communications obligations in due time regarding information on incidents or hazards, in accordance with the provisions in Condition 7, the Redeia's Contract Company may apply a penalty to the Supplier.

If such penalty has not been specified, the penalty amount shall be zero point one per cent (0.1%) of the Contract or Purchase Order Sum per day of default.

**Penalties for failing to deliver the documentation inherent to the fulfilment of the Contract or Purchase Order**

**14.19.** Failure by the Supplier to deliver, sufficiently in time all the documentation inherent to the fulfilment of the Contract or Purchase Order, such as drawings or blueprints, computer programmes, reports, manuals, instruction books, protocols, certificates of receipt, control and testing, among other, the Redeia's Contract Company may apply a penalty.

If such penalty has not been specified, the penalty amount shall be zero point one per cent (0.1%) of the Contract or Purchase Order Sum due to lack of attendance, per day of delay.

#### **Other penalties**

**14.20.** The Redeia's Contract Company may establish any other kind of penalties in the Contractual Documentation.

## **15. SUSPENSION AND TERMINATION OF THE CONTRACT OR PURCHASE ORDER**

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### **Suspension at the request of the Redeia's Contract Company**

**15.1.** In the cases when the Redeia's Contract Company has the right to terminate the Contract or Purchase Order due to breach by the Supplier according to Condition 15.11, the Redeia's Contract Company may suspend the execution of all or part of the Contract or Purchase Order during a period of time deemed to be appropriate by the Redeia's Contract Company. In these cases, the Redeia's Contract Company shall not be obliged to pay the price of the Equipment and/or Materials subject to the purpose of the Contract or Purchase Order or costs, fees, charges or other amounts due.

**15.2.** Without prejudice to the aforesaid, if for any cause other than that set forth above the Redeia's Contract Company should deem necessary or should step in to request the temporary suspension of a given Contract or Purchase Order, the Redeia's Contract Company shall notify the Supplier in writing specifying the cause and the expected duration of the suspension, and the Supplier must stop the Supply immediately.

**15.3.** The Redeia's Contract Company shall certify the pending amounts for all the supplies delivered and accepted until the notice date, including, if applicable, the amount of the Associated Services provided. Corresponding penalties and compensations shall be deducted from this resulting amount and the remaining sum, if any, shall be paid to the Supplier as full and final settlement of the Contract or Purchase Order. The settlement balance, if in favour of the Supplier, shall be paid in accordance with the Contractual Documentation. If it is in favour of the Redeia's Contract Company, it shall be paid without postponement or delay.

Moreover, payment for the supplies well underway at the time of suspension notice date shall be made by the Redeia's Contract Company. The amount for these supplies shall be determined by mutual agreement between the Parties or, if this

cannot be achieved, through expert valuation, with the appointment of an expert being made at the proposal of the Redeia's Contract Company and in the absence of agreement, the appointment shall be carried out by sortition by the corresponding Chartered Association.

- 15.4. Supplier hereby acknowledges and accepts that the exercise of the above-mentioned right shall not give rise to any other kind of further payment or compensation to the Corresponding Redeia's Company.

**Termination by mutual agreement**

- 15.5. The Contract or Purchase Order may be terminated, either wholly or partially by mutual agreement between the Supplier and the Redeia's Contract Company.
- 15.6. In such case, the Parties shall set out in writing the termination agreement and the Supplier shall immediately interrupt the Supply, as well as any Associated Services, and shall carry out any necessary actions to satisfactorily preserve the works already executed and their delivery to the Redeia's Contract Company.
- 15.7. The Redeia's Contract Company shall certify that the amounts due for delivered and accepted supplies until the date the termination is notified, including, if any, the amount of the Associated Services provided. Corresponding penalties and compensations shall be deducted from this resulting amount and the remaining sum, if any, shall be paid to the Supplier as full and final settlement of the Contract or Purchase Order. The settlement balance, if in favour of the Supplier, shall be paid in accordance with the Contractual Documentation. If it is in favour of the Redeia's Contract Company, it shall be paid without postponement or delay.

Moreover, payment for the supplies well underway at the time of suspension notice date shall be made by the Redeia's Contract Company. The amount for these supplies shall be determined by mutual agreement between the Parties or, if this cannot be achieved, through expert valuation, with the appointment of an expert being made at the proposal of the Redeia's Contract Company and, in the absence of agreement, the appointment shall be carried out by sortition by the corresponding Chartered Association.

**Termination of contract by the Redeia's Contract Company**

- 15.8. The Redeia's Contract Company may terminate the Contract or Purchase Order at any time, in part or in full, notifying it to the Supplier in writing.

As soon as the Supplier received said notice of termination of the Contract or Purchase Order, the Supplier shall immediately stop the works currently underway carrying out any necessary actions to satisfactorily preserve the works already executed and their delivery to the Redeia's Contract Company.

- 15.9. The Redeia's Contract Company shall certify that the amounts due for delivered and accepted supplies until the date the termination is notified, including, if any, the amount of the Associated Services provided. Corresponding penalties and compensations shall be deducted from this resulting amount and the sum of the procured Equipment and/or Materials acquired by the Redeia's Contract

Company, when applicable. The remaining sum, if any, shall be paid to the Supplier as full and final settlement of the Contract or Purchase Order. The settlement balance, if in favour of the Supplier, shall be paid in accordance with the Contractual Documentation. If it is in favour of the Redeia's Contract Company, it shall be paid without postponement or delay.

Moreover, payment for the supplies well underway at the time of suspension notice date shall be made by the Redeia's Contract Company. The amount for these supplies shall be determined by mutual agreement between the Parties or, if this cannot be achieved, through expert valuation, with the appointment of an expert being made at the proposal of the Redeia's Contract Company and in the absence of agreement, the appointment shall be carried out by sortition by the corresponding Chartered Association.

**15.10.** The Redeia's Contract Company shall compensate the Supplier for direct damages the termination by the former may have caused on the latter. For such purpose, by direct damages it is understood expenses arising from the termination of the Contract or Purchase Order, which must be sufficiently evidenced by the Supplier. The amount for these supplies shall be determined by mutual agreement between the Parties or, if this cannot be achieved, through expert valuation, with the appointment of an expert being made at the proposal of the Redeia's Contract Company and in the absence of agreement, the appointment shall be carried out by sortition by the corresponding Chartered Association. This compensation by no means shall exceed the total amount belonging to the partial performance of the Contract or Purchase Order subject to suspension or the amount pending at the moment of termination.

Consequential damages and loss of profit are expressly excluded from the above.

#### **Termination for breach of contract by the Supplier**

**15.11.** The Redeia's Contract Company may terminate the Contract or Purchase Order at any time, in part or in full, notifying it to the Supplier in writing, when the Law so allows or when any of the following causes concur:

- a) The decrease in the financial standing or economic solvency, or the emergence of legal, economic, financial, or otherwise any other kind of difficulties which may impact on the normal fulfilment of the Supplier's legal and contractual obligations.
- b) Extinction of Supplier's legal personality.
- c) Death or disability of the Supplier or loss of the physical or sensory conditions that are essential for the correct performance of the Contract or Purchase Order.
- d) Disqualification of a Supplier by Redeia, following the supplier's exclusion criteria provided in the section Suppliers in the Redeia's Contract Company's website.
- e) Delivery of untrue information or documentation during the Qualification or Commissioning Process, which may affect the good performance of the



Contract or Purchase Order.

- f) The assignment, transfer or subrogation of contractual rights and obligations without the prior express consent in writing from the Redeia's Contract Company, unless it involves economic, commercial or financial rights and credits in accordance with Condition 4.8 and subsequent Conditions.
- g) Entering into any legal transaction regardless of the form used (sale or transfer of stocks and shares, mergers, spin-offs or any other corporate operations or legal transactions) leading to a substantial change in the ownership of the Supplier's stocks/shares or otherwise an effective change of control, direct or indirect, in the Supplier or in one of the companies who have control over or that it reports to, without the express consent of the Redeia's Contract Company when said change may hinder or put at risk the correct performance of the Contract or Purchase.
- h) The full or partial subcontracting of the Contract or Purchase Order by the Supplier without the express authorisation from the Redeia's Contract Company.
- i) The suspension or abandonment by the Supplier of the performance of the Contract or Purchase Order unless force majeure is credited.
- j) Delay in the provision of the Supply by more than sixty per cent (60%) of an interim period of execution or by more than half of the total period; or due to non-fulfilment of completion dates considered essential for the satisfactory conclusion of the Contract or Purchase Order, or for having incurred delay penalties reaching ten per cent (10%) of the total amount of the contract, as established in the Condition 14.9.
- k) Penalties imposed on the Supplier in whole exceeding fifteen per cent (15%) of the Contract or Purchase Order Sum, in accordance with Condition 14.2.
- l) Lack of compliance with Redeia's Suppliers' Code of Conduct.
- m) Lack of compliance with employment and labour, occupational health and safety and environmental obligations.
- n) Severe or reiterated lack of compliance with the obligations set in the Contractual Documentation.
- o) Any other serious or recurring circumstance that prevents or hinders the performance of the Contract or Purchase Order.

**15.12.** The Redeia's Contract Company may grant a period to rectify its lack of compliance before the settlement, unless granting such a period may harm the Redeia's Contract Company.

Should the above decision be based on causes a), c), f) or g) in Condition 15.11, the Supplier or where appropriate, the Supplier's successors and assigns, may avoid such termination if, within five (5) days of the notice, they provide enough guarantees, in the Redeia's Contract Company's sole opinion, regarding the normal fulfilment of the Contract or Purchase Order.

**15.13.** After expiry of the deadline granted by the Redeia's Contract Company, if the



non-compliance cause has not been remedied, the Redeia's Contract Company may urge the termination of the Contract or Purchase Order by written communication to the Supplier stating the events occurred and the grounds for termination, as well as the effective termination date of the contractual relationship.

**15.14.** The Redeia's Contract Company shall certify that the amounts due for delivered and accepted suppliers until the date the termination is notified, including, if any, the amount of the Associated Services provided. Corresponding penalties and compensations shall be deducted from this resulting amount and the remaining sum, if any, shall be paid to the Supplier as full and final settlement of the Contract or Purchase Order. The settlement balance, if in favour of the Supplier, shall be paid in accordance with the Contractual Documentation. If it is in favour of the Redeia's Contract Company, it shall be paid without postponement or delay.

In turn, the Supplier is obliged to immediately return to the Redeia's Contract Company the total amount collected as an advance for the price. Should the Redeia's Contract Company proceed to execute its right as reserved in the following paragraph, the obligation to refund shall be limited to the excess that such amount represents in regard to what the Redeia's Contract Company shall have to pay the Supplier, in accordance with said paragraph. In the event the Supplier does not proceed to return the advance, the Redeia's Contract Company may execute the guarantee.

**15.15.** The Redeia's Contract Company shall be entitled, but not obliged, to purchase all or any of the Equipment and/or Materials that the Supplier may have already subcontracted, stockpiled or partially manufactured, fixing the price of this acquisition by mutual agreement or, if this is not achieved, with the appointment of an expert being made at the proposal of the Redeia's Contract Company and in the absence of agreement, the appointment shall be carried out by sortition by the corresponding Chartered Association.

**15.16.** In no case shall the Supplier have right to a compensation for damages if the Contract or Purchase Order due to termination resulting from breach on its side.

In addition, the Supplier shall compensate the Redeia's Contract Company for the damages generated by the breach, in accordance with Conditions 6.18.4 and 6.18.5. The Redeia's Contract Company may materialise the payment of the compensation by:

- a) deducting the compensation amount from the pending payments, even if they correspond to another Contract or Purchase Order, in the case the Supplier is notified reasonably in advance, so the Supplier proceeds to the compensation before said discount is applied, and/or
- b) Executing wholly or partially the guarantee the Supplier has, if applicable, established.

**15.17.** Notwithstanding the compensation for damages that may be applicable, in order to ensure compliance with the provisions in force in case of termination due to breach

of contract by the Supplier, the Redeia's Contract Company may adopt any or all of the following measures:

- a) Withhold pending payments, even if they correspond to another Contract or Purchase Order. In such case, the Supplier shall be notified reasonably in advance, so it ensures compliance before proceeding to said withholding, and/or
- b) Execute the guarantees or insurances the Supplier may have established, even if they correspond to another Contract or Purchase Order. In such case, the Supplier shall be notified reasonably in advance, so it ensures compliance before proceeding to said withholding, and/or
- c) Withhold the Supplier's stockpiled materials and machinery and items that may be in the possession of the Redeia's Contract Company, even if they correspond to another Contract or Purchase Order. In such case, the Supplier shall be notified reasonably in advance, so it ensures compliance before proceeding to said withholding.

#### **Termination of contract by the Supplier**

- 15.18.** The Supplier may request the termination of the Contract or Purchase Order to the Redeia's Contract Company through a duly given and well-founded notice to the Redeia's Contract Company. The aforementioned notice shall be issued by the Supplier within a reasonable time and shall be adequate to the specific features and status of performance of the Contract or Purchase Order. In any case, the time shall by no means be less than sixty (60) days.
- 15.19.** Both Parties shall mutually agree the conditions to properly carry out the termination, including the corresponding settlement of the Contract or Purchase Order.
- 15.20.** The settlement, if any, shall include the compensation for the damages generated to the Redeia's Contract Company that at the time can be determined. All the foregoing is without prejudice to other compensations that might arise from damages generated to the Redeia's Contract Company that may subsequently be acknowledged.

## **16. INDUSTRIAL AND INTELLECTUAL PROPERTY**

- 16.1.** Unless otherwise specified in the Contract or Purchase Order, the supply of Equipment and/or Materials shall include granting an irrevocable licence in favour of the Redeia's Contract Company over computing software, manuals and other documentation that may be required to properly use said Equipment and/or Materials. This non-exclusive, irrevocable use licence not subject to territorial or time restrictions. It also includes user license for all operation and maintenance activities applicable to the Equipment and/or Materials, insofar as they are necessary for the above-mentioned purpose.
- 16.2.** The Supplier ensures the Redeia's Contract Company, and is obliged to submit document proof thereof, if required to do so, insofar as reasonably possible, that it has all the necessary rights to grant the license provided in the previous

paragraph and, if applicable that is in possession of the trademark registrations or entries, patents, utility models, industrial designs or otherwise the respective licences of such rights, and that the aforesaid registrations, entries and licences do not infringe any third-party rights. Moreover, the Supplier ensures to the Redeia's Contract Company that it has the required licence to exercise the activity and provide the Supply and submit proof thereof, when the activity or the Supply require special authorisation to comply with the purpose of the Contract or Purchase Order.

- 16.3. The Supplier shall be responsible for obtaining the required assignment rights, permits and authorisations from third parties that may be necessary, if any, for the purposes of granting to the Redeia's Contract Company the license foreseen in Condition 16.1. Any payment due regarding rights and compensations of the latter shall be at the Supplier's own expense.
- 16.4. The Supplier shall compensate the Redeia's Contract Company and hold it harmless against any damages, expenses and costs (including advice, legal and barrister's fees) in which the Redeia's Contract Company may incur as a result of any third-party claim based on the infringement by the Equipment and/or Materials or the Associated Services of any third-party rights (a "**Claim**").

Notwithstanding the above, the Supplier shall have no obligation or be held liable for Claims based on (or, if applicable, regarding the part of the Claim based on):

- a) Repairs, transformations, adaptations and/or modifications to Equipment and/or Materials done by the Redeia's Contract Company or a third party, without the consent of the Supplier.
  - b) The combination of the Equipment and/or Materials with other products or services when such combination is the reason for the infringement.
  - c) The lack of implementation from the Redeia's Contract Company's side of an update supplied by the Supplier that would have prevented the Claim, or
  - d) The use of the Equipment and/or Material in such a manner that goes against the manuals supplied by the Supplier.
- 16.5. If the Claim reached the courts, the Supplier, at the request of the Redeia's Contract Company, is obliged to submit a guarantee that sufficiently covers the amount of the Claim within ten (10) calendar days to start when the Redeia's Contract Company so requests.
  - 16.6. Any judicial or extra-judicial claims filed by third parties against the Supplier in connection with industrial or intellectual rights subject to the purpose of this Contract or Purchase Order shall formally serve due notice to Redeia immediately after receipt thereof at the shortest time possible.
  - 16.7. All elements, such as materials, information, knowledge, designs, documents, drawings or blueprints, computer programmes and specifications, as well as their copies, delivered to the Supplier for the provision of the Supply, which shall be of confidential nature (the "**Redeia's Contract Company's Materials**").

The Supplier shall use the Redeia's Contract Company's Materials exclusively to

execute the Contract or Purchase Order, and, notwithstanding the provisions in Condition 6.17.5, return or destroy them at the termination thereof as may be required by the Redeia's Contract Company, certifying such return or destruction in writing if so required. While the Supplier has the Redeia's Contract Company's Materials, the Supplier must keep at all times adequate caution for the treatment, handling and transfer of information, in accordance with the legislation in force applicable to each Contract or Purchase Order and the acquired confidentiality obligations.

In the event the Supplier detected that the Redeia's Contract Company's Materials, any kind of invention or knowledge is susceptible of being protected by industrial and intellectual property rights, the Supplier shall report so to the Redeia's Contract Company. As a result, no rights in favour of the Supplier shall arise.

Similarly, the designs, documents, drawings or blueprints and computer programmes, and copies thereof, that may have been handed over by the Supplier during the performance of the Contract or Purchase Order shall become the property of the Redeia's Contract Company.

- 16.8.** All documents, designs, drawings or blueprints, computer programmes and specifications, and copies thereof, created before the Contract or Purchase Order belong to the Supplier.

Likewise, the Supplier is the owner of all documents, designs, drawings or blueprints, computer programmes and specifications, and copies thereof, generated throughout the performance of the work on its own documentation and technology, along with any patents, utility models and other industrial or intellectual property rights.

## 17. CONFIDENTIALITY

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- 17.1.** The Supplier shall keep absolute confidentiality and shall not use, outside the scope of the Contract or Purchase Order, for its own benefit or that of third parties, any kind of information, whether oral or in writing, in any support, referring to the Redeia's Contract Company or to third parties, as well as any knowledge, result or industrial or intellectual property right of which it becomes aware as a result of the performance of the Contract or Purchase Order (including documentation submitted to the Supplier before the execution of the Contract or Purchase Order), including, but not limited to, all information, idea, concept, report, drawing, diagram, record, specification, rule, manual, model, process, know-how, data, business plans, projections, technique and/or documentation of knowledge which the Supplier has obtained or has had access to or has received as a result of the performance of the purpose the Contract or Purchase Order. Moreover, it shall keep absolute confidentiality regarding the existence of the Contract or Purchase Order, any subsequent addenda or amendments, as well as any Contractual Documentation and any documents related and/or created as a result of said Contract or Purchase Order (hereinafter, all of the above, the "**Confidential Information**"), unless the Redeia's Contract Company has previously authorised so in writing.

- 17.2. Notwithstanding the above, the Supplier may disclose said information without the prior authorisation from the Redeia's Contract Company under the following situations: (a) to employees, executives or members of the Board and companies within the same business group that take active and direct part in the performance of the Contract or Purchase Order or that have justified need to know such information ("**Related Parties**"), who shall in turn undertake and maintain the agreed confidentiality. In such case, the Supplier shall personally be liable for any unallowed disclosure by said Related Parties; (b) in the event that, by virtue of a legal, court, administrative or similar order, or within a tax, court, administrative or similar procedure, the Supplier or the Related Parties are required to disclose all or part of the Confidential Information. This circumstance must be immediately reported -and before any disclosure- to the Redeia's Contract Company, so the Redeia's Contract Company may adopt the adequate measures to disclose only that Confidential Information that may be legally required in accordance with the applicable legislation in each case; (c) in the event such information is of public access or publicly known before it was disclosed to the Supplier; (d) in the event it becomes information of public access, without breach of this Condition, by the Supplier or the Related Parties; (e) when such information was made available to the Supplier or the Related Parties, on a non-confidential basis through a source other than the Redeia's Contract Company, when such source is authorised, at the criteria of the Redeia's Contract Company, for such disclosure; or (f) when the Supplier or the Related Parties already had that information before being reported, provided such information does not come from a source that is banned from disclosing such information to the Supplier.
- 17.3. The Supplier undertakes to safeguard the supports containing Confidential Information with the greatest diligence, as well as any other sensitive material, and to have for such purpose safe and adequate storage means for the Confidential Information obtained.
- 17.4. In any event, the Redeia's Contract Company and the Supplier shall agree on the content, means of communication and the date of publication of any press release, notice or communication of any type regarding the existence of the Contract or Purchase Order, or the content of same.
- 17.5. At the end of the term in the Contract or Purchase Order for any reason whatsoever, the Supplier shall not withhold the Confidential Information and shall return or destroy, at the Redeia's Contract Company's choice, all the oral or written Confidential Information in any support as well as any copies thereof it may have. The Supplier must also certify to the Redeia's Contract Company in writing that this Confidential Information has been returned or destroyed. Notwithstanding the above, the Supplier shall keep a copy exclusively when the Supplier is obliged to do so by the applicable laws or regulations, and/or for its legal defence. In such case, the Supplier must adopt all the necessary safeguarding measures to keep such information confidential.

In order to verify compliance with the obligation stated in the foregoing paragraph, the Supplier undertakes to provide access to the Redeia's Contract Company to

carry out any appropriate verification action. Said actions must be carried out by the Redeia's Contract Company following the same requirements and conditions for inspections set forth in Condition 8.3.

- 17.6. The duty of confidentiality shall be kept for at least five (5) years since the termination of the Contract or Purchase Order unless the legislation states a longer or undefined period.
- 17.7. Similarly, the Redeia's Contract Company shall keep and shall not disclose the information provided by the Supplier, under the same terms and conditions set in this Condition.

## 18. LIABILITY

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- 18.1. The Supplier is responsible for the exact fulfilment of and compliance with the obligations undertaken under the Contract or Purchase Order and of those established in the Contractual Documentation.
- 18.2. The Supplier is solely responsible to the Redeia's Contract Company for the correct performance of the Contract or Purchase Order. This condition is indivisible and cannot be delegated to subcontractors that the Supplier uses for these purposes.
- 18.3. When the Supplier is made up of two or more natural or legal persons or a grouping of them, each and every one of them are jointly and severally liable for the fulfilment of the Contract or Purchase Order and also jointly and severally liable for the obligations established in the latter and in the Contractual Documentation.
- 18.4. The Supplier shall be liable to the Redeia's Contract Company for any direct damages caused by either the Supplier itself or persons for whom it is responsible to the Redeia's Contract Company or the **Personnel** dependant upon it, for any action or omission in the fulfilment of the obligations by the Supplier or by any of the persons for whom it is responsible.

Unless there is wilful misconduct or gross negligence from the Supplier, the Supplier shall not be liable for loss of profit or indirect damages. By indirect damages it is understood to be those damages that do not have a direct cause in the Contract or the Purchase Order, such as interruption of operations, interruption of supply or loss of information and data.

- 18.5. The Supplier is liable against the Redeia's Contract Company for direct damages in an amount not exceeding one hundred per cent (100%) of the total Contract or Purchase Order Sum, including within said limit the penalties imposed by the Redeia's Contract Company on the Supplier.

When there is wilful misconduct or severe negligence from the Supplier, the Supplier's liability before the Redeia's Contract Company for any damages shall not be subject to any limit.

- 18.6. The Supplier shall be liable for, and shall hold the Redeia's Contract Company harmless against, whatsoever claims of third parties brought against the Redeia's Contract Company for damages caused to said third parties, which are caused by



an act or omission in the fulfilment of their obligations on behalf of the Supplier.

For the purposes of the foregoing paragraph, third parties shall be considered not only natural or legal persons outside the Contract or Purchase Order (such as subcontractors), but also the Redeia's Contract Company's personnel, whereby the Supplier shall be liable for any damages that may be caused to them.

- 18.7.** Moreover, the Supplier shall be liable, and shall hold the Redeia's Contract Company harmless, for any claim for death or accident of its employees or those of third parties as well as those raised by third parties that occur or result from accidents, actions or omissions of the Supplier.

For the purposes of the foregoing paragraph, third parties shall be considered not only natural or legal persons outside the Contract or Purchase Order (such as, for example subcontractors), but also the Redeia's Contract Company's Personnel, whereby the Supplier shall be liable for any damages that may be caused to them.

- 18.8.** The Supplier is responsible for the thorough compliance of its legal and contractual obligations with its suppliers and subcontractors and, particularly, for the full ownership, non-restricted use, availability and free from any charges and encumbrances in favour of third parties for the Equipment and/or Materials delivered under the Contract or Purchase Order. Likewise, it shall guarantee that it has the patents, licenses and other industrial and intellectual property documents necessary for the performance of the purpose of the Contract or Purchase Order.
- 18.9.** Similarly, the Supplier shall be liable for damage to the environment or for the imminent threat that it may occur, as well as for the costs for preventing, mitigating and repairing environmental damage and/or recovery of environmental damage as a result of the performance of the Supply, provided by the corresponding legislation.
- 18.10.** The Supplier must justify, by providing documented proof to the Redeia's Contract Company as often as deemed necessary by the Redeia's Contract Company, that there is full compliance with that set forth in the foregoing Conditions.
- 18.11.** The Supplier shall release the Redeia's Contract Company from any liability for non-compliance with the above obligations, as well as for actions or omissions on its part or by its Personnel, during the performance of the Contract or Purchase Order; and, consequently, is obliged to carry out whatever necessary to hold the Redeia's Contract Company harmless from any claims and lawsuits that might be brought against it for that reason, and to compensate the Redeia's Contract Company for all damages which may be filed against it, directly or indirectly, due to said claims or lawsuits.
- 18.12.** The breach by the Supplier of that which is governed in this Condition shall qualify as a serious breach and shall empower the Redeia's Contract Company to terminate the Contract or Purchase Order due to breach by the Supplier.
- 18.13.** In the event the Redeia's Contract Company evidences the Supplier is breaching any of its obligations resulting in joint and several liability or any other direct action against the Redeia's Contract Company, regardless of whether it gives right or

not to termination of the Contract or Purchase Order, the Redeia's Contract Company may, as soon as it becomes aware of such circumstances, withhold any payments for any concept pending to be made to the Supplier, in accordance with Condition 15.17, in an amount sufficient to cover said liabilities. The Redeia's Contract Company may even face such obligations on behalf of the Supplier.

- 18.14.** This right of withholding and payment on behalf of the Supplier shall be extended to all damages and losses arising from breach or must guarantee of the Agreement, or any case from which a liability for the Redeia's Contract Company may arise.

The Redeia's Contract Company shall have the right to withhold and offset the amounts pending of payment to the Supplier, in accordance with the provisions in Condition 13.16.

- 18.15.** The Supplier shall pay or reimburse the Redeia's Contract Company the full costs the latter bears (including lawyer fees, barrister fees, down payments, certificates, authorisations, fees, expenses, legal down payments to file appeals, etc.) to defend itself against administrative actions, extrajudicial claims or claims before court actions or legal actions of any kind files against the Redeia's Contract Company.

## 19. INSURANCE

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- 19.1.** The Supplier shall subscribe to and maintain for the duration of the Contract and Purchase Order, and at its expense, the following insurance policies:

- a) Work Accidents and social security payments under current legislation for all workers.
- b) Civil Liability against third parties through mandatory and voluntary insurances for own vehicles or vehicles contracted to third parties involved in the performance of the Contract and Purchase Order.
- c) Of material damages to the Equipment and/or Materials under the Contract or Purchase Order, including transportation, as well as any civil liability resulting from the transportation, until the actual delivery of the Equipment and/or Materials to the Redeia's Contract Company.
- d) Civil Liability before Third Parties, in which the Redeia's Contract Company appears as an additional insured party without losing the status of a third party, and which guarantees payment of compensations which the Supplier, its subcontractors or suppliers, or the Redeia's Contract Company or its personnel should result liable vis-à-vis third parties as civilly liable for accidental damages or consequential losses, caused to the said third parties and/or to the Redeia's Contract Company, in their persons or properties, by action or omission, being such liability either directly or subsidiarily as a consequence of the execution of the Contract or Purchase Order.

Said insurance must sufficiently cover any claim or compensation regarding the material goods the Redeia's Contract Company provides for the

compliance with and performance of the Contract or Purchase Order, from the moment they are made available to the Supplier or its subcontractors until they are returned to the Redeia's Contract Company.

Similarly, the Civil Liability insurance policy shall expressly include the guarantees of Civil Liability for Operation and Use, Employer's/Corporate Civil Liability, Civil Cross-Liability, Civil Liability for Professional Activities and Products and Civil Liability for pollution and damage to the environment for the supply of Associated Equipment and/or Materials that may entail a possible environmental risk.

The policy shall envisage a minimum limit of 5,000,000 Euros per accident, with the minimum limit required per victim being no less than 450,000 Euros. However, said requirements may be broadened or amended for each Contract or Purchase Order, taking into account the concurrent circumstances, as established in the Contractual Documentation.

- e) Any other insurance required by the legal provisions in force and that are applicable to the works and services carried out by the Supplier in relation to the Contract or Purchase Order.

- 19.2. All the aforementioned policies shall act as primary policies and always in the first instance against any other that may be applicable. Additionally, said insurance shall be contracted with insurance entities of recognised solvency, and any material amendment, renewal or cancellation shall be reported to the Redeia's Contract Company, and in no case shall it imply lack of compliance with the commitments undertaken with regards to insurance in accordance with this Condition.
- 19.3. When the nature of the policy allows it, it shall be expressly stated therein that the insurance company shall pay directly to the Redeia's Contract Company the applicable compensation.
- 19.4. The Supplier shall prove the fulfilment of the regulation on industrial occupational accident insurance policies and social security payments in the country in which the Equipment and /or Materials are to be supplied or the Associated Services are to be provided by providing a certificate of insurance or similar document as proof of the said coverage.
- 19.5. Before the execution of the Contract or Purchase Order, and at the request of the Redeia's Contract Company, the Supplier with certify the scope of the coverage and the full efficiency of the insurances demanded, by submitting the corresponding certificates and/or the certifying documentation.
- 19.6. The Supplier's liability shall not be limited by the subscription of the insurance by the Redeia's Contract Company or any third party or to the lack of insurance or to insufficient contracted coverage. In case of accident, those amounts not covered by the insurance hired shall be borne by the Supplier.
- 19.7. Notwithstanding the foregoing, the Supplier may, at its sole expense, subscribe a contract for supplementary insurance that it deems necessary for full coverage of its interests and liabilities that may arise from the Contract or Purchase Order.

The Supplier, under its own responsibility, shall require from its subcontractors that they subscribed the necessary insurances, although this shall not exempt the Supplier from its liability before the Redeia's Contract Company.

- 19.8.** All insurances subscribed in compliance with these GCC shall include express mention to the Redeia's Contract Company's exemption from liability expressly waiving their right to repetition and subrogation against the Redeia's Contract Company from the insurance companies regarding these insurances.

## 20. FORCE MAJEURE

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- 20.1.** Force majeure shall mean, in accordance with section 1105 of the Civil Code, any unforeseeable and exceptional situation or event beyond the shall of the parties preventing any of them from complying with an of their obligations arising from the Contract or Purchase Order, not due to error or negligence on their part (when it comes to the Supplier, from the subcontractor too) or that, if they could have been foreseen, could not have been avoided not even when acting with due diligence.
- 20.2.** For the purpose of the previous paragraph, the following events, among other, shall qualify as force majeure, provided they do hinder compliance with the Contract or Purchase Order:
- a) Earthquakes, tsunamis, catastrophic fires or flooding if any of those events are officially declared catastrophic.
  - b) Damage caused by terrorist acts or violently produced during wartime or by insurrection, sedition or riots.
  - c) Legal strikes that exceed the sphere of the Supplier's company and the ending of which does not depend on the decision of the latter.
  - d) Officially declared epidemics and pandemics, when regulatory measures have been imposed by the Government and/or Administrations, impeding the execution of the Contract or Purchase Order.
- 20.3.** The Supplier shall not be allowed to invoke as grounds of force majeure the following circumstances, among other:
- a) Weather conditions or phenomena that might reasonably have been anticipated by a diligent Supplier and whose harmful effects could have been totally or partially avoided.
  - b) Delays or failures in the procurement of materials or labour that could have been reasonably foreseen, or that could have been avoided or remedied in advance.
  - c) Delays of any subcontractor unless these in turn are the result of force majeure evidenced in accordance set in this Condition.
  - d) Strikes or labour disputes within the scope of the Supplier or its subcontractors, except those of a national or sectoral nature.
  - e) The conditions of the premises for the supply of the Equipment and/or Materials, which should be known by the Supplier prior to the start of the

performance of the Contract or Purchase Order.

- 20.4. The party that considers having been affected by force majeure shall notify it to the other party in writing, as soon as possible, and, in any case, within a maximum of five (5) business days from when it happens, certifying how force majeure affects compliance with its obligations, the reason for it and its estimated duration. Once the cause of force majeure is notified and certified, the party invoking it shall be exempt from complying with those obligations that have been affected by the force majeure at the time it happened.
- 20.5. While the force majeure situation persists, the party invoking it shall continue complying with those obligations not affected by this situation and shall resume the full performance of its obligations at the end of the force majeure situation that prevented full performance thereof.
- 20.6. Said party is obliged to notify the end of such force majeure situation and the effective continuation of performance of its obligations towards the other party within five (5) business days to start at the end of such force majeure situation. In any case, each party shall use its best efforts to avoid or mitigate the effects of the situation of force majeure, as well as to guarantee the continuity of the performance of the Contract or Purchase Order.
- 20.7. In the event of a delay resulting from any duly certified force majeure event as described above, the periods stipulated in the Contract or Purchase Order shall be extended up to a period equal to that for which the Supplier was prevented from performing, continuing in effect the compliance of the remaining obligations that are not affected by the circumstance which occurred.

Notwithstanding the above, if the execution period was to be extended due to any duly certified cause of force majeure, for a period in excess of one-fourth part of the agreed period or if it is reasonably foreseeable that it shall have to be extended beyond this period of time, this shall entitle the Redeia's Contract Company to early terminate the Contract or Purchase Order on its own.

- 20.8. The Supplier shall not be entitled to claim any compensation whatsoever as a result of the eventual application of whatever cause of force majeure and the delay caused, where applicable, shall not represent any additional cost for the Redeia's Contract Company.
- 20.9. In the event the Supplier invokes a cause of force majeure as a justification for the total or partial abandonment of its contractual obligations, and should the qualification as a cause of force majeure being invoked finally not be deemed fitting, the Redeia's Contract Company may apply a penalty on the Supplier with an amount applicable in accordance with Condition 14, to the days there has been indeed a delay caused by unduly invoking to force majeure.

## 21. ETHICS AND COMPLIANCE. SUSTAINABILITY

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### **Ethics and compliance**

- 21.1. The Supplier undertakes to carry out its activities and adopt all reasonable control measures to ensure that, within the framework of the Contract or

Purchase Order, both the Supplier and its subcontractors meet the highest business conduct standards, among which the following specific principles and concrete measures are included:

- a) To promote an ethical and compliance culture of ethical conduct and compliance based on the principle of zero tolerance to corruption, money laundering or financing of terrorism and any unlawful acts and support to ethical conduct in accordance with the principles laid down in the Suppliers' Code of Ethics of Redeia.
- b) To have and/or promote ethical practices in accordance with the business conduct guidelines included in Redeia's Supplier's Code of Conduct and to comply with everything provided therein. The Supplier's Code of Conduct of Redeia is aligned with the ethical values of respect, integrity, and sustainability as well as with the principles contained in the Code of Ethics and Conduct of Redeia, and in the Compliance Policy of Redeia. To facilitate its compliance, the Redeia's Contract Company offers the Supplier and its subcontractors the possibility of addressing the Ethics Manager in good faith. The Ethics Manager shall handle the claims and communications regarding breach of Redeia's Code of Conduct in confidentiality, through the ethical and compliance channel enabled on the Redeia's Contract Company's website.
- c) To set the necessary due diligence measures for an adequate selection and follow up of the clients, suppliers, partners and any other third party's integrity.
- d) To have a compliance system adjusted to their specific circumstances and capable of detecting and preventing all practices that may be related to corruption, money laundering or financing of terrorism, as well as other crimes of similar nature. The Supplier shall appoint a qualified representative that shall certify the existence of such a system and the continuity of its implementation in Redeia.

**21.2.** The Supplier declares, guarantees and undertakes to:

- a) Know Redeia's Supplier's Code of Ethics and Conduct and Redeia's Compliance Policy and construe Redeia's Supplier's Code of Conduct in accordance with the ethical values and principles therein.
- b) Maintain since the formalisation of the Contract or Purchase Orders complete and truthful accounting records and other documentation relating to the Contract or any Order, including those related to payments made to third parties, in accordance with generally accepted accounting principles in accordance with applicable regulations.
- c) Allow the Redeia's Contract Company, at its request with at least fourteen (14) calendar days in advance, to inspect at any time the books and other accounting documentation regarding the Contract or Purchase Order. Such inspections must be done in accordance with Condition 8.3.
- d) Not make political contributions, donations or any other kind of illegal payment or commission regarding the Contract or Purchase Order or any



other activity related thereto.

- e) Inform the Redeia's Contract Company (i) of the existence of any illegal action in terms of corruption, money laundering or financing of terrorism, as well as any other crimes of a similar nature by the Supplier or its subcontractors, (ii) any request for information received in this regard, or (iii) the existence of documentation from which it may be reasonably inferred that the Supplier or its subcontractors are being investigated for such crimes.
- f) To identify any situation, action or circumstance that may represent a conflict of interest in the performance of the Contract or the Purchase Order through the ethical and compliance channel enabled on the Redeia's Contract Company's website.

In this regard, the Supplier ensures and undertakes to prevent situations that may give rise to conflicts of interest, and for such purpose it must adopt the reasonable measures to detect them.

It is the Redeia's Contract Company's responsibility to assess whether the information reported by the Supplier may entail a conflict of interest implying incompatibility to provide the Service. In such case, the Redeia's Contract Company may request the Supplier to adopt all the necessary measures to put an end to such situation, fact or circumstance generating such conflict of interest or, if deemed appropriate, to terminate the Contract or Purchase Order.

### **Sustainability**

- 21.3.** The Supplier declares to know and accept and undertakes to comply with the provisions in the Contractual Documentation with regards to circular economy, climate change and biodiversity and ensures minimum use of resources and promotes reuse, recovery and recycling its supplies throughout their life cycle.
- 21.4.** The Supplier is responsible for the compliance, by its suppliers and subcontractors, with the sustainability criteria to which it is obliged.
- 21.5.** Breach of the provisions in Condition 21 shall qualify as severe breach of the Contract or Purchase Order giving the Redeia's Contract Company right to terminate the Contract or Purchase Order, in accordance with Condition 15.11.

## **22. DATA PROTECTION**

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### **Information and access to personal data of the Supplier**

- 22.1.** The Redeia's Contract Company informs the Supplier that it shall manage and/or process personal data of its employees, representatives, collaborators and third parties based on the principle of "minimum contact data/details" required to be able to manage the contracted Supply, as well all data regarding the signatory company of the Contract or Purchase Order (hereinafter, any of them, the "Interested Party") for the purposes of managing the contracted service subject to the purpose of this document. The lawful basis for the management and processing of such data is the execution of the Contract or the Purchase Order. Personal data

shall be processed during the period the performance of the Supply contracted and, once completed, during the period stipulated in current regulations or during the period that may be required by a judge or court. The rest of the companies in Redeia may be recipients of such data. The Interested Party have the right to exercise the rights of access, rectification, deletion, opposition, portability and limitation of the processing of its data. The Interested Party may file a claim, if unsatisfied with the exercise of its rights before the Spanish Data Protection Agency (Agencia Española de Protección de Datos). Additional and detailed information on the processing of personal data can be found in Redeia's Privacy Policy that shall be applicable to the processing of data, available on the Redeia's Contract Company's website. The Supplier is obliged to inform its employees, collaborators and third parties about the scope, nature, purposes and context of the personal data processing carried out by the Redeia's Contract Company. The Interested Party may contact the Redeia's Contract Company and the Supplier through the channels identified in the Contract or Purchase Order.

#### **Service provision without access to personal data**

- 22.2. Access to any personal data for which the Redeia's Contract Company is responsible, is strictly prohibited. However, should, as a result of the contractual relationship established with the Redeia's Contract Company, the Supplier unintentionally have access to any data of a personal nature, the Supplier shall undertake to guarantee the security and protection of said data.
- 22.3. In the event of non-compliance by the Supplier regarding the regulations on personal data protection, the Supplier shall not hold the Redeia's Contract Company liable or accountable for any administrative or civil liabilities that may arise from its non-compliance.

#### **Rendering of Services with access to personal data**

- 22.4. When for the Supply of Equipment and/or Materials under the Contract or Purchase Order, the Supplier or the Supplier's Personnel should need to access personal data included in the records controlled by the Redeia's Contract Company, such access shall not be deemed as data transmission or data transfer but as a mere access by the Supplier, necessary for the fulfilment of the obligations under the service provision as Supplier of the Redeia's Contract Company and consequently act as a Data Processor of the Redeia's Contract Company in accordance with to the regulations in force. The purpose of this Condition is to establish the obligations and responsibilities of both parties regarding personal data files owned by the Redeia's Contract Company ("**Data Files**"), to which the Supplier may have access exclusively for the fulfilment of the Supplier's services under the Contract or Purchase Order without prejudice to the particularities that shall be established in the corresponding Processor Contract required by current regulations that must be signed by the Redeia's Contract Company and the Supplier.
- 22.5. Specifically, the Supplier, pursuant to the applicable regulations, undertakes to fulfil and enforce the following obligations for its Personnel and, if applicable, its suppliers and subcontractors:

- a) In general, comply with all necessary rules and organisational and technical measures and execute any and all required or simply recommended actions with the view to strictly fulfil their corresponding obligations according to the applicable law and to the sectoral good practices, as a Data Processor of data files owned by the Redeia's Contract Company.
- b) Access personal data contained in the Data files owned by the Redeia's Contract Company only when these are deemed necessary for the service provision under the Contract or Purchase Order, and solely and exclusively with the aiming at fulfilling the obligations arising from the former, always in accordance with the Redeia's Contract Company's instructions or guidelines.
- c) Under no circumstances disclose or transfer to third parties any personal data accessed by the Supplier or the Supplier's personnel included in Data Files owned by the Redeia's Contract Company, not even for their conservation, unless so required by the Law, and similarly, by no means allow any kind of access to such data by third parties, whether oral, written or through any other electronic, paper-based or computer-based means.
- d) As the case may be, the Supplier shall only allow its personnel to access data when strictly necessary for the provision of the Supply, provided that the authorised personnel are subject to the same obligations regarding confidentiality and personal data protection as those set forth herein. When any or some of these recipients are located outside the European Union, the Supplier shall only proceed to such transfer when it has a legal base to do so, or when the recipient: (I) is in a country or organisation that provides an adequate level of security, or (ii) has signed an agreement ensuring it shall comply with the requirements set by the European Union for the transfer of personal data outside the EU.
- e) Should the Supplier need to subcontract the provision of the Supply, and the subcontractor required to process data, require prior authorisation from the Redeia's Contract Company shall be required to enter into a Data Processing contract with the subcontracted company.
- f) The Supplier guarantees the Redeia's Contract Company that it shall comply with the security measures that correspond to the type of data, that is, the appropriate technical and organisational measures needed to guarantee a level of security in accordance with the risk.
- g) Once the Contract or Purchase Order has been completed, the Supplier must destroy, unless there is a legal provision that requires its conservation, the data subject to the processing, as well as any copy or support on which they were contained and must duly certify in writing to the Redeia's Contract Company the referred destruction. However, the Supplier may keep a copy, duly blocking the data, while any responsibilities regarding the Contract or Purchase Order may arise.

**22.6.** The Supplier and the Redeia's Contract Company understand the key importance of holding and processing personal data included in the Data Files and thus, that the access and collection, when applicable, of personal data shall be carried out

with all the requisite guarantees concerning such data security in accordance with the applicable law. Therefore, the Supplier expressly undertakes the obligation to comply and adopt any technical or organisational measure necessary to assure security, confidentiality, secrecy and integrity of Data Files, data processing centres, equipment, software and personal data to which the Supplier may be entitled to access and/or obtain on behalf of the Redeia's Contract Company as well as to adopt in the future any security measures required by the laws and regulations intended to keep the secrecy, confidentiality and integrity during the automated personal data processing and prevent alteration, loss and non-authorised access and processing, in light of the state of technology, the nature of the stored data and the risks to which data are exposed whether due to human action or to physical or natural conditions.

- 22.7.** The Supplier's obligations set forth herein shall be mandatory for the Supplier's Personnel, both external and internal partners and subcontractors, and the Supplier shall be responsible for their compliance with the above obligations. The Supplier shall ensure that any natural or legal person outside its organisation shall not access personal data contained in Data Files accessed by the Supplier and/or obtained by the Supplier on behalf of the Redeia's Contract Company as a result of the agreed services, regardless any contractual relationships of the Redeia's Contract Company with third parties.

The Supplier shall inform its personnel and, where appropriate, employees and subcontractors, of the obligations established in this Section. The Supplier shall issue as many warnings and sign as many documents as necessary with its Personnel and, where appropriate, its collaborators and subcontractors, in order to ensure compliance with such obligations.

- 22.8.** The Redeia's Contract Company is authorised to carry out audits, both internal and external, that it considers appropriate to determine the adequacy and compliance with the regulations regarding the protection of personal data by the Supplier. In turn, the Supplier is obliged to collaborate with the Redeia's Contract Company in everything that may be deemed appropriate. Said audits must be carried out by the Redeia's Contract Company following the same requirements and conditions for inspections governed by Condition 8.3.
- 22.9.** If any owner of personal data should request to the Supplier that it wants to exercise the rights of access, rectification, cancellation, opposition, portability and limitation of how its personal data is processed and not to be subject to a decision based solely on automated means, the Supplier is obliged to communicate this circumstance to the Redeia's Contract Company immediately and in no case beyond the fifth (5th) working day following the date on which it was made aware of this request therefore enabling the Redeia's Contract Company to take the necessary actions pursuant to such rights.
- 22.10.** In the event of non-compliance by the Supplier regarding the regulations on personal data protection, the Redeia's Contract Company shall not be held liable or accountable for any administrative or civil liabilities that may arise from its non-compliance in accordance with the provisions in Conditions 18.4 and 18.5.
- 22.11.** In the event that the purpose of the contract includes the installation and

supervision of a Closed-Circuit Television (CCTV), the Supplier shall implement all the measures provided for in the current regulations that affect the Redeia's Contract Company as the data controller. Specifically, it must notify or advise data subjects of the data processing it carries out on behalf of Redeia and shall do so by using the informative signage provided by the Redeia's Contract Company to the Supplier (video-monitored zone signage, information Condition regarding video surveillance, access control Condition for persons and vehicles, forms used to exercise rights). These Conditions shall be located in visible areas and the forms for the exercise of data subject rights shall be provided to those who request them. The Supplier shall also be obliged to implement appropriate technical and organisational measures and shall respect the rules concerning the duration of data conservation as established in current regulations. After such period elapses, the images must be deleted. Only at the request of the State's Law Enforcement and Security Forces may the Supplier provide this data, but only after receiving prior written authorization from the Redeia's Contract Company.

- 22.12.** Both the Redeia's Contract Company and the Supplier undertake to comply with the applicable legislation on protection and processing of personal data of the country of residence of the Redeia's Contract Company.

## 23. APPLICABLE LAW AND DISPUTE RESOLUTION

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- 23.1.** Unless otherwise stated in the Contractual Documentation, the legislation in force in the country where the Contract or Purchase Order is executed shall be applicable and the Contract or the Purchase Order shall be construed in accordance thereof. Any dispute that may arise is subject to said legislation. The Supplier is obliged to know the tax legislation of the country where it shall provide the Supply and/or the Associated Services in order to assume any taxes set out in the tax law corresponding to such country.
- 23.2.** Unless the Contractual Documentation provides another dispute resolution mechanism, any litigation, discrepancy, matter or claim resulting from the execution or construction of the Contract or Purchase Order or related thereto, directly or indirectly, shall be subject to the courts and tribunals corresponding to the address where the Redeia's Contract Company resides. The Supplier therefore waives its right to its own jurisdiction or any jurisdiction that may correspond to the Supplier.

## 24. NON-EXCLUSIVITY

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- 24.1.** The Redeia's Contract Company shall not be obliged to any exclusivity agreement with respect to the Supplier regarding possible additional Contracts or Purchase Orders of any nature, which the Supplier may be interested in entering into or formalising.
- 24.2.** Without prejudice to any offer that the Redeia's Contract Company may receive from the Supplier, the Redeia's Contract Company shall have the right to formalise any additional Contract or Purchase Order with a third party.

## 25. NOTICES AND LANGUAGE

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- 25.1. All communications between the Supplier and the Redeia's Contract Company regarding the Contract or the Purchase Order shall be in Spanish and in writing. It shall be deemed they have been duly made if delivered in person (by signature certifying receipt), by burofax certifying its content or by email to the addresses stated in the Contractual Documentation, provided there is always proof of receipt and content from the receiver or receivers.
- 25.2. Any change of addresses or persons for purposes of providing notice must be immediately reported to the other Party in accordance with the rules set forth in this Condition. In as much as one Party does not receive a notification of change, the notifications it sent in accordance with the previous data shall be considered valid.

## 26. FULL VALIDITY OF THE CONTRACT OR PURCHASE ORDER

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- 26.1. The illegality, invalidity or ineffectiveness of any of the Conditions in these GCC, or those provided in the rest of the Contractual Documentation, shall not affect the effectiveness of the other conditions provided the rights and obligations of the parties, arising from the Contract or Purchase Order, are not affected by them in an essential manner. By essential it's understood any situation that may severely damage the interests of any of the parties, or that affects the purpose of the Contract or Purchase Order.
- 26.2. In such case, the Redeia's Contract Company and the Supplier shall make its best effort to replace such Conditions by other legal, valid and/or efficient conditions, whose economic result approximates as much as possible to those replaced, or integrate with those that, being in accordance with the Law, meet the purpose of the replaced conditions.



## 27. COUNTRY ANNEX – PERÚ

Each of the Conditions identified below shall replace the corresponding conditions set out in the General Conditions of Contract:

***The following Condition applies and replaces Condition 6.10:***

The Supplier shall provide the Redeia's Contract Company the following information:

- a) Certification from the Social Health Insurance (EsSalud) and the Pension Fund Managers (AFPs) or the National Pension Office (ONP), as the case may be, stating it is fully up to date with regards to the contributions of the employees that take part in the provision of the Supply.

The Supplier expressly declares that all employees contracted who take part in the provision of the Supply are affiliated in the Contributory Regime of the Social Health Insurance and in the National Pension System or in the Private System of Administration of Pension Funds, as the case may be.

The Supplier, as the sole party responsible for all Personnel providing the provision of the Supply, shall be liable before the Ministry of Labour and Employment Promotion and Labour Tribunals of Justice for the proper compliance and application of current laws, especially for all matters related to labour, social security, pension system, and health and safety at work.

At any time requested by the Redeia's Contract Company, the Supplier must certify compliance with such obligations and, in particular, being up to date in the payment of salaries and social security payments regarding the Personnel assigned to the provision of the Supply.

- b) The following tax certificates, in accordance the tax law in force:
- Suppliers that carry out their business without a registered office in Peru:
 

Should a tax treaty exist to avoid double taxation signed between the Supplier's country of tax residence and Peru, and the Supplier invokes the application of provisions of such treaty/agreement, the Supplier shall provide the Redeia's Contract Company with its corresponding certificate of tax residence certifying its tax residence for the purposes set out in the provisions of the relevant treaty, and for the purposes of classification of the type of income under such treaty, the Supplier shall take into account the interpretation of the taxation granted by the country of residence of the company of the Redeia's Contract Company. Said certificate must be presented prior to the signature of the Contract or Purchase Order, with the invoice issued by the Supplier. Redeia shall not be responsible for payment delays that may result from not providing the tax residence certificate. These certificates, for Peruvian tax purposes, have a validity of four (4) months from their date of issue, therefore the certificates that are delivered by the Supplier to the Redeia's Contract Company must not be older than four (4) months. since its issuance. In the

event that, due to internal regulations of the Supplier's country of residence, the residence certificate establishes a term of validity of less than four (4) months, such certificate, at the time that the Supplier delivers it to the company of the Redeia's Contract Company, must be valid. Following that validity period, the Supplier shall provide a new certificate.

The Supplier shall deliver new residence certificates when required by the Redeia's Contract Company, when, between the date on which it received the previous certificate and the date on which it must comply with the tax obligation that shall be subject to an agreement to avoid double taxation, such certificate has lost validity or should modifications occur regarding the circumstances determining its content

The delivery of the new certificates within the aforementioned period shall be a necessary condition for payment of any Contract or Purchase Order Sum.

- c) Where applicable, the Occupational Risks Assessment including the risks sheet, the appropriate safety measures and the preventive schedule depending on the activity to carry out, on the risks inherent to Redeia's premises where the Services are to be provided and the delivered Technical Specifications. The documentation shall be delivered by the Supplier using the means and IT applications the Redeia's Contract Company determines.
- d) If applicable, provide proof that Personnel has received the necessary training to properly perform the contracted Supply, and for the correct use of the machinery and other tools that shall be used at the provision of the Supply. Proof of such training must be provided periodically at the request of the Redeia's Contract Company and always before accessing Redeia's premises.
- e) Any other documentation that may be compulsory under current law (Safety study, etc.).

***The following Condition applies and replaces Condition 9.7:***

The Supplier undertakes to use all the means that are reasonably available to it, at its sole expense, to make up, in the shortest time frame possible, any delay in the delivery dates. In case of non-compliance, the Redeia's Contract Company may require the change of place of delivery in order to reduce the days of delay. Any costs associated to the change in the final delivery location shall be borne by the Supplier even when such delay is justified.

***The following Condition applies and replaces Condition 9.14:***

The costs of transport and delivery, including unloading, shall be borne by the Supplier, pursuant to the obligations of the Incoterm specified in the Purchase Order.

***The following Condition applies and replaces Condition 11.5:***

Any adjustments, repairs or replacements required in order for the guarantee commitment to be met shall be made solely at the expense of the Supplier, with no costs or expense being borne by the Redeia's Contract Company.

Furthermore the Supplier shall cover any costs incurred thereto by the Redeia's Contract Company (even in adjoining or annexed premises), such as those of disassembly, transport, shipping fees, insurance and packaging for the return of the materials and the assembly and custody of their replacements, as well as nationalisation taxes and other similar expenses.

***The following Condition applies and replaces Condition 13.3:***

The price includes all taxes (excluding IGV) that may have an impact on the purpose of the Contract or Purchase order, or those that may accrue under the same. If the Supplier has a non-domiciled tax status, and whenever it is deemed appropriate to make a withholding tax on non-domiciled income, the Redeia's Contract Company shall withhold from the payment of the price the amounts resulting from the application of the current regulations and from writs and notices issued by Public Administration bodies and the courts.

***The following Condition applies and replaces Condition 15.11 a):***

The Redeia's Contract Company may terminate the Contract or Purchase Order, wholly or partially, by serving formal notice to the Supplier, who shall not be entitled to claim any compensation thereby, in the cases foreseen by the law or in the event of any of the following:

- a) The declaration of insolvency, bankruptcy or liquidation by the court, or when the existence of a situation of insolvency proceeding in accordance with the provisions of the General Law of the Insolvency System is declared with regard to the Supplier, or when the Supplier initiates a preventive insolvency proceeding pursuant to that established in said regulation.

***The following Condition applies and replaces Condition 22.1:***

The Redeia's Contract Company informs the Supplier that it shall process the personal data of its employees, representatives, collaborators and third parties based on the minimum contact data necessary to be able to manage the contracted supply, as well as that of the signatory party of the Contract or Purchase Order (hereinafter, any of them, the "**Interested Party**") for the purpose of managing the contracted service subject to the purpose of this document. The legitimate basis for the data processing is the fulfilment of a contractual relationship in accordance with the provisions of Article 14, Subsection 5 of the Peruvian Personal Data Protection Law (Law 29733) ("LPDP"). Personal data shall be processed during the period the performance of the Supply contracted lasts and, once completed, during the period stipulated in current regulations or during the period that may be required by a judge or court. The rest of the companies in Redeia may be recipients of such data. In the event it should be considered necessary, pursuant to the LPDP, the Supplier must obtain the required consent from its employees, collaborators and third parties to the

delivery of their personal information to the Redeia's Contract Company. The Supplier guarantees the Redeia's Contract Company that the personal data of its employees, collaborators and third parties that is delivered to the Redeia's Contract Company shall, if required, have the appropriate and necessary consent to it being transferred. The interested party has the right to exercise the rights of access, rectification, cancellation, opposition, portability and limitation of how its personal data is processed. Additional and detailed information on the processing of personal data can be found in Group RE's Privacy Policy that shall be applicable to the processing of data, available through the Redeia's Contract Company's website. The Redeia's Contract Company and the Supplier are obliged to inform its employees, collaborators and third parties about the scope, nature, purposes and context of the personal data processing. The Interested Party may contact the Redeia's Contract Company and the Supplier through the channels identified in the Contract or Purchase Order.

***The following Condition applies and replaces Condition 22.2:***

Access to any personal data for which the Redeia's Contract Company is responsible, is strictly prohibited. However, should, as a result of the contractual relationship established with the Redeia's Contract Company, the Supplier unintentionally have access to any data of a personal nature, the Supplier shall undertake to guarantee the security and protection of said data.

The Supplier acknowledges that the information it may have access to within the framework of this Contract or the Purchase Order (including any personal data) is of confidential nature, so it cannot be disclosed to other persons, unless expressly authorised by the Redeia's Contract Company. The duty of confidentiality established in this Condition shall be maintained even after the contractual relationship is up and for a period of up to fifteen (15) years after the existing contractual relationship is finalised, for whatever reason.

***The following Condition applies and replaces Condition 22.3:***

In the event of non-compliance by the Supplier regarding the regulations on personal data protection, the Redeia's Contract Company shall not be held liable or accountable by the Supplier for any administrative or civil liabilities that may arise from its non-compliance. This duty to hold the Redeia's Contract Company harmless includes not only the payment of any compensation, penalties and/or sanctions that may be imposed by competent authorities, but also obliges the Supplier to compensate the Redeia's Contract Company for all costs and expenses related to the defence of the Redeia's Contract Company and its personnel.

***The following Condition applies and replaces Condition 22.4:***

When for the service provision under the Contract or Purchase Order, the Supplier or Supplier's Personnel should need to access personal data included in the records controlled by the Redeia's Contract Company, such access shall not be deemed as data transmission or data transfer (processing) but as a mere access by the Supplier, necessary for the fulfilment of the obligations under the

service provision as Supplier of the Redeia's Contract Company and consequently acting as Data Processor of the Redeia's Contract Company in accordance with the regulations in force. The purpose of this Condition is to establish the obligations and responsibilities of both parties regarding personal data files owned by the Redeia's Contract Company ("Data Files"), to which the Supplier may have access exclusively for the fulfilment of the Supply under the Contract or Purchase Order without prejudice to the particularities that shall be established in the corresponding Processor Contract required by current regulations that must be signed by the Redeia's Contract Company and the Supplier, regardless of whether the Redeia's Contract Company acts as Data Processor or the Supplier does.

***The following Condition applies and replaces Condition 23.3:***

In case of dispute, provided the same cannot be resolved directly by negotiation of the parties within a maximum period of fifteen (15) calendar days computed from the date on which either of the parties notifies the other of its decision to initiate the negotiation, each dispute shall be resolved by an arbitrator, who shall decide the controversy in a single mediation session, without further recourse. If the Parties do not reach an agreement regarding the appointment of the arbitrator, the designation shall be made by the Centre of National and International Conciliation and Arbitration of the Lima Chamber of Commerce, in accordance with its Regulations, whose rules, administration and decision the parties submit to unconditionally, declaring to know them and accept them in their entirety. In the absence of agreement, the appointment is made by the Higher Arbitration Council of the Centre of National and International Conciliation and Arbitration of the Lima Chamber of Commerce. The Parties expressly reserve the right to challenge or veto up to five (5) arbitrators of those proposed by the Chamber. The arbitrator appointed in accordance with this Condition shall be expressly empowered to resolve any matter related to his/her competence and/or jurisdiction.

## 28. COUNTRY ANNEX - CHILE

Each of the Conditions identified below shall replace the corresponding conditions set out in the General Conditions of Contract:

***The following Condition applies and replaces Condition 4.4:***

Such authorisation must be requested to the Redeia's Contract Company in writing, specifying the assignee, and in time so as to avoid any delays in the provision of the Supply, even if the authorisation should be denied. Any assignment done without said authorisation shall be unenforceable against the Redeia's Contract Company.

***The following Condition applies and replaces Condition 5.6:***

The Supplier shall hold the Redeia's Contract Company harmless from and against any action, lawsuit or claim before any Tribunal of Justice or administrative authority filed by any of the Supplier's employees. Therefore, the Supplier shall be responsible for the legal defence of any judicial or extra-judicial matter and shall, where appropriate, indemnify or compensate employees, directors, agents, representatives, its affiliate or associated companies for damages, actions, lawsuits, court trial, embargoes, court sentences, fines, sanctions, and all costs and expenses, including those derived from the legal defence, caused by or arising from:

- a) Subcontractor's, employees" or representatives" breach or non-compliance regarding commerce, occupational health and safety or environmental laws and, in general, any other law, rule, decree, regulation or instruction from the competent authority that it may be subject to.
- b) Labour and/or civil claims for any reason against the Redeia's Contract Company by the Supplier's Personnel, former workers, consultants, or advisers, including their relatives and/or heirs.
- c) The statement declaring the existence of an employment relationship between the Redeia's Contract Company and an employee, consultant or adviser of the Supplier.
- d) Substandard or poor health and/or safety conditions at the workplace under its responsibility.
- e) Any non-compliance by the Supplier of the contractual and/or legal obligations concerning its employees (AFP, Fonasa, Isapres, Law on Labour Accidents, Unemployment Insurance, withholding of taxes, etc.).
- f) Lawsuits or civil claims which may be derived from joint or secondary liability that could be attributed to the Redeia's Contract Company due to the Supplier's labour and/or pension obligations of the Supplier; and
- g) Damages, lawsuits or claims of any nature or kind filed against the Redeia's Contract Company arising out of any of the Supplier's breach or non-compliance with legal or contractual obligations.

If any of the above should apply, the Redeia's Contract Company shall be entitled to withhold any amount payable to the Supplier in order to ensure the payment of the compensations above mentioned.



The obligations herein Condition shall become enforceable as soon as the Redeia's Contract Company is notified of the lawsuit, legal claim, court trial; where appropriate, as soon as the Redeia's Contract Company should carry out any payment or disbursement related to the above, without prejudice to any refunds stemming from successful judgements of outstanding appeals.

***The following Condition applies and replaces Condition 9.11:***

All the Equipment and/or Materials shall be properly identified, indicating the number of bundles, as well as their weights and sizes, along with the appropriate information, and labelled so that they can be easily received at their destination, and accompanied by a receipt note or delivery note from the corresponding country that shall be presented in duplicate and which shall include the information specified in the Contract or Purchase Order.

***The following Condition shall apply and supplements the Reception Condition of Condition 9:***

It must be ensured that the Equipment and/or Materials arrive in good condition and without any damage. Generally this task is carried out by the ITO (Technical Inspection of Construction Work), whereby the person signing the corresponding delivery note is someone validated by the organization.

***The following Condition applies and replaces Condition 13.3:***

The price includes all taxes (excluding VAT or equivalent tax corresponding to the country of residence of the Redeia's Contract Company that is the invoice receiving party), fees, contributions, duties and excise taxes that may have an impact on the purpose of the Contract or Purchase order, or those that may accrue under the same. The Redeia's Contract Company may withhold from the payment of the price the amounts resulting from the application of the regulations in force and from writs and notices issued by the tax or customs authority by means of rulings, ordinary or other means, in accordance with the regulations in force.

***The following Condition applies and replaces Condition 13.6:***

Unless stated otherwise in the Contractual Documentation, all invoices must be submitted in the manner indicated in the e-Billing section published on the website of the Redeia's Contract Company, complying with current fiscal/tax and mercantile requirements, including the Order or Contract number and the certification reference. With respect to the assignment of the receivables detailed in the invoices, it shall apply the provisions established in Law 19.983 of 2004 and its subsequent amendments. Notwithstanding the fact that the assignment of the receivables contained and detailed in electronic invoices shall proceed through electronic means, and its notification to the obligor to pay them shall proceed via annotation in a public electronic transfer registry, the Supplier undertakes to notify the Redeia's Contract Company of the assignment of the receivables that appears on the invoice by sending an email to the Redeia's Contract Company.

***The following Condition applies and replaces Condition 15.11a):***

Be subject to a Bankruptcy Reorganization Procedure, as long as the Bankruptcy Financial Protection period has finalised in accordance with the terms of Article 57 of Law 20.720 or be subject to a Liquidation Bankruptcy Procedure.

***The following Condition applies and replaces Condition 23.3:***

In case of dispute, provided the same cannot be resolved directly by negotiation of the parties within a maximum period of fifteen (15) calendar days computed from the date on which either of the parties notifies the other of its decision of initiate the negotiation, each dispute shall be resolved by an arbitrator, who shall decide the controversy in a single mediation session, without further recourse. The arbitrator shall be appointed by mutual agreement by the parties in due course. If the Parties do not reach an agreement regarding the appointment of the arbitrator, the designation shall be made by the Chamber of Commerce of Santiago A.G. which, at the written request of either Party, appoints an arbitrator ex aequo et bono regarding the procedure and an arbitrator-at-law regarding the ruling from among the members of the arbitration body of the Santiago Arbitration and Mediation Centre, pursuant to the Rules of Arbitration Procedure of the Santiago Arbitration and Mediation Centre in force at the time of its initiation, whose rules, administration and decision the parties submit to unconditionally, declaring to know them and accept them in their entirety. The arbitrator appointed in accordance with this Condition shall be expressly empowered to resolve any matter related to his/her competence and/or jurisdiction. The place of arbitration shall be they city of Santiago de Chile. Spanish shall be the language of the arbitration proceedings.

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