

INTERNAL CONTRACTING INSTRUCTIONS OF THE COMPANY “ENUSA INDUSTRIAS AVANZADAS, S.A.”

I. PURPOSE OF THE CONTRACTING INSTRUCTIONS

The purpose of these instructions is to regulate the contracting procedures of the company ENUSA INDUSTRIAS AVANZADAS, S.A., which does not have the status of a contracting authority in accordance with the Restated Text of the Public Sector Contract Act, approved by Royal Legislative Decree 3/2011 of November 14 (hereinafter, TRLCSP). Therefore, the company's contracting operations must adhere to these instructions to ensure the effectiveness of the principles of publicity, competition, transparency, confidentiality, equality and non-discrimination, as provided in paragraph 1 of TRLCSP Article 192, and also that the contract is awarded to the party that submits the most economically advantageous bid.

These instructions will be available to all those parties interested in taking part in the procedures for award of contracts regulated herein, and they will be published in the contractor's profile on the website **www.enusa.es**.

II. SCOPE OF APPLICATION

These instructions will apply to all contracts entered into by Enusa Industrias Avanzadas, S.A.

However, the following businesses and legal relations fall outside the scope of application of these instructions:

- a) contracts subject to labor law
- b) agreements signed by the company with the Public Administrations and the public entities attached to them, provided that their purpose is not covered by that of the contracts regulated in the TRLCSP or in special administrative rules
- c) supply contracts related to direct activities of the company, if the implicated assets have been acquired for the purpose of returning them, with or without transformation, to the legal estate, according to their particular purposes
- d) contracts for financial services related to the issue, purchase, sale and transfer of securities or financial instruments, treasury operations and operations aimed at securing funds or capital by the company, as well as the services provided by the Bank of Spain
- e) contracts of purchase and sale, donation, exchange, leasing and other similar legal transactions on real estate, marketable securities and intangible properties, except those involving computer programs and which should be classified as supply or service contracts
- f) contracts related to arbitration and conciliation services

- g) contracts in which the company undertakes to deliver goods or rights or to provide a service
- h) contracts whose purpose is to undertake educational activities in public sector facilities in the form of personnel training or continuing education courses, as well as seminars, colloquies, round tables, conferences, collaborations or any other similar type of activity, whenever such activities are carried out by natural persons.
- i) any other contract or business excluded from the TRLCSP.

III. PRINCIPLES GOVERNING CONTRACTING

The award of the contracts referred to in these Instructions will be subject to the principles of publicity, competition, transparency, confidentiality, equality and non-discrimination.

a) Principles of Publicity and Competition

1) Publicity

The company will sufficiently publicize the contracts it intends to enter into so that all interested parties can take part, thus encouraging their participation. The means of publicity to be used will be determined in each case on the basis of the worth of the contract, its purpose, its geographical scope and the characteristics and circumstances of the sector.

The announcement of the tender, if published, will at the very least contain the following information:

- 1) description of the essential features of the contract and the maximum amount of the tender
- 2) deadline for submission of bids and all other phases of the procedure
- 3) award method and criteria
- 4) subcontracting system, where appropriate
- 5) invitation to contact the contracting company.

In this case, the announcement of the tender will appear in the contractor's profile on the company's website.

2) Exclusion of Publicity

Contracts will not be subject to publicity, provided this is duly justified by the contracting entity:

a) When, for technical reasons imposed by the contract and owing to the requirement of prior authorization of the contractor, or for reasons related to the protection of exclusive rights, the contract can only be awarded to a specific business.

b) When an extreme urgency resulting from events that are unforeseeable by the contracting entity and not attributable to it requires prompt execution of the contract.

c) When the contract has been declared secret or confidential, or when its execution must be accompanied by special security measures in accordance with current legislation, or when required for the protection of the essential security interests of the company and this has been expressly declared and justified by the contracting entity.

d) When, in work contracts, there are complementary works that are not shown as part of the project or the contract but, due to unforeseen circumstances, have become necessary to execute the works as described in the unmodified project or contract, and the execution of which is entrusted to the contractor of the main works in accordance with the prices governing the original contract or, where appropriate, are otherwise set, provided that the works cannot be technically or economically separated from the original contract without causing major inconvenience to the company or, even though they are separable, are strictly necessary for its completion, and that the cumulative amount of the additional works does not exceed 50% of the original contract price. Other complementary works that do not meet these requirements will have to be covered by a separate contract.

e) When, in work contracts, the works consist of the repetition of other similar works awarded to the same contractor by the contracting entity using the procedure provided in these Instructions, provided that they conform to a basic project that has been the purpose of the original contract awarded by such procedure, that the possibility of making use of this procedure is indicated in the notice of tender of the original contract and that the total amount of the new works has been calculated on fixing the total amount of the contract and always within three years as of the formalization of the original contract.

f) When, in supply contracts, these involve the acquisition of movable property forming part of the Spanish Historical Heritage, after appraisal by the Board of Qualification, Appraisal and Export of Spanish Historical Heritage Assets or an Autonomous Regional body authorized for this purpose, which is intended for museums, archives or libraries.

g) When, in supply contracts, the products are manufactured exclusively for purposes of research, experimentation, study or development; this provision does not apply to mass production aimed at establishing the product's commercial viability or recovering the research and development costs.

h) When, in supply contracts, there are complementary deliveries made by the original supplier which are either a partial replacement of commonly used supplies

or installations, or else an extension of the existing supplies or installations, if a change of supplier would require the contracting entity to acquire material with different technical specifications, resulting in incompatibilities or disproportionate technical difficulties in terms of use and maintenance. The duration of such contracts, as well as that of the renewable contracts, may not, as a general rule, exceed three years.

i) When, in supply contracts, these involve the acquisition on organized markets or commodity exchanges of supplies that are listed on these markets.

j) When, in supply contracts, a supply has been agreed on under especially advantageous conditions with a supplier definitively ceasing its business activities, or with the administrators of bankruptcy proceedings, or through a legal agreement or procedure of the same nature.

k) When, in service contracts, there are complementary services that are not shown as part of the project or the contract but, due to unforeseen circumstances, have become necessary to provide the service as described in the unmodified project or contract, and the provision of which is entrusted to the business to which the main contract was awarded in accordance with the prices governing that contract or, where appropriate, are otherwise set, provided that the services cannot be technically or economically separated from the original contract without causing major inconvenience to the company or, even though they are separable, are strictly necessary for its completion, and that the cumulative amount of the complementary services does not exceed 50% of the original contract price. Other complementary services that do not meet these requirements will have to be covered by a separate contract.

l) When, in service contracts, these consist of the repetition of other similar services awarded to the same contractor by the contracting entity using the procedure provided in these Instructions, provided that they conform to a basic project that has been the purpose of the original contract awarded by such procedure, that the possibility of making use of this procedure is indicated in the notice of tender of the original contract and that the total amount of the new services has been calculated on fixing the total amount of the contract and always within three years as of the formalization of the original contract.

m) When the service contract in question is the result of a tender and, in accordance with the applicable rules, must be awarded to the winner. In the event that there are several winners, they must all be invited to participate.

n) When, due to the characteristics of the service provision, especially in contracts whose purpose are service provisions of an intellectual nature and in contracts included in category 6 of Annex II to the TRLCSP, it is not possible to establish the conditions with the necessary precision to award them by the procedure provided in these Instructions.

o) In all cases, when the estimated value of work contracts is less than 200,000 Euros, and when that of supply and service contracts is less than 60,000 Euros.

In contracting procedures to which any of the publicity exclusion assumptions listed above applies, it will be necessary to call for bids from at least three companies qualified to achieve the purpose of the contract, whenever possible.

In all cases, interested companies can obtain additional information at the address shown in the last section of these Instructions.

b) Principle of Transparency

This principle implies:

1) The possibility that all participants in the tender can previously know the rules applicable to the contract to be awarded, and be sure that these rules apply equally to all companies.

2) Setting appropriate deadlines for the submission of bids, which must be sufficiently lengthy to enable the companies to make a proper evaluation, address the documentation submitted, assess the bids and draw up and prepare the award proposal. The deadlines will be established, case by case, in the tender notice.

3) Exact, prior specification in the tender notice of the objective criteria for bid assessment and contract award, which should not take into account the characteristics or experience of the bidders, or the level or characteristics of the means to be employed for contract execution. To assess proposals and determine the most economically advantageous bid, consideration should be given to criteria directly linked to the contract purpose, which are appraised by numbers or percentages obtained by the application of formulas included in the specifications, e.g. quality, price, time for execution or delivery of the service, usage cost, environmental characteristics or characteristics associated with meeting social needs, profitability, technical value, aesthetic and functional characteristics, availability and cost of spare parts, maintenance, technical support, post-sales service or similar. When only one award criterion is used, this will necessarily be the lowest price.

4) Clear, precise specification of the entity responsible for drawing up the award proposal and awarding the contract.

c) Principles of Equality and Non-Discrimination

These principles involve the following requirements:

1) Non-discriminatory description of the contract purpose. The description must not refer to a specific make or source, or to a specific brand, patent, type, origin or production, unless such a reference is justified by the contract purpose and is accompanied by the words "or equivalent".

2) Equal access for the economic players of all the Member States of the European Union. The contracting company must not impose any conditions entailing direct or indirect discrimination against bidders, e.g. the obligation that companies interested in the contract be based in the territory of the same Member State or same region as the awarding entity.

3) The mutual recognition of degrees, certificates and other diplomas. If bidders are required to submit certificates, degrees or other supporting documentation, the documents from other Member States that offer equivalent guarantees should be accepted.

4) The prohibition of providing information on a discriminatory basis that could give an advantage to certain bidders over the rest.

d) Principle of Confidentiality

The company may not disclose any information provided by the bidders that the latter have declared as confidential. In particular, confidentiality concerns technical or trade secrets and the confidential aspects of the bids.

On its part, the contractor must respect the confidential nature of any information to which it has access during contract execution and which has been defined as such in the contract or which, by its very nature, should be treated as such.

IV. CONTRACTING ENTITY

The contracting entity will be the Contracting Committee that forms part of the Board of Directors of ENUSA INDUSTRIAS AVANZADAS, S.A., unless otherwise specified in the corresponding internal rules creating the company or regulating its operations, and without detriment to the delegation or decentralization of competencies that may be agreed.

V. CONTRACTOR APTNESS CONDITIONS

Contractors will be subject to the aptness, contracting prohibition and solvency requirements regulated in Articles 54 to 60.1 and 61 to 79 of the TRLCSP. The requirement that the business be classified in the Official Registries of Classified Bidders and Enterprises, which accredits the aptness conditions of the business, will be optional for ENUSA INDUSTRIAS AVANZADAS, S.A. However, classification certificates accrediting registration in official lists of businesses authorized for contracting, established by the European Union Member States, entail a presumption of suitability of the businesses included in them in the cases referred to in Article 84 of the TRLCSP.

VI. PURPOSE OF THE CONTRACT

The provisions of Articles 86 and 87 TRLCSP regarding the purpose and price, respectively, are applicable.

VII. NATURE OF CONTRACTS AND JURISDICTION

The contracts entered into by ENUSA INDUSTRIAS AVANZADAS, S.A., will always be considered as private contracts in accordance with Article 20.1 TRLCSP.

The settlement of any litigious issues regarding the preparation, award, effects, compliance and termination of such private contracts, in accordance with Article 21.2 TRLCSP, will fall under the jurisdiction of the civil courts.

VIII. AWARD PROCEDURE

All work, service and supply contracts will be awarded using the procedure specified below.

a) Preparation of the Contract

All procedures will begin with a report, which will be submitted to the contracting entity, which in turn will determine the nature and extent of the needs to be covered by the proposed contract, as well as the suitability of its purpose and content to meet them, the approximate cost of the contract, the existence of sufficient budget, the type of procedure proposed and the suitability of the principle of publicity in each case.

b) Decision to Contract

The Contracting Entity will make its decision regarding the launch of the procedure.

c) Publication

The contracting notice will be published for a minimum of ten days, unless the urgency of the contract requires a shorter period. The announcement will appear in the contractor profile on the company website.

d) Opening of Bids

The bids and calls for participation will be secret and the means for them to be so will be arbitrated.

The bids will be opened and assessed by the contracting entity. It may request any technical reports that are deemed pertinent to the submitted bids and, where

appropriate, require the companies to remedy any defects detected in the submitted documentation.

e) Contract Award

The contracting entity will award the contract to the most economically advantageous bid on the basis of a reasoned decision that will be notified to the candidates or bidders and published, where appropriate, in the contractor profile of ENUSA INDUSTRIAS AVANZADAS, S.A. In the event that no bids have been submitted or that those submitted are inadequate, irregular or unacceptable, the procedure will be declared void.

f) Contract Formalization

The contract entered into by ENUSA INDUSTRIAS AVANZADAS, S.A. must necessarily include the following data (see Article 26 TRLCSP):

- 1) Identification of the parties.
- 2) Proof of the capacity of the signatories to sign the contract.
- 3) Definition of the contract purpose.
- 4) Reference to the legislation applicable to the contract.
- 5) List of the documents that comprise the contract.
- 6) Firm price, or the method for determining it.
- 7) Duration of the contract or the estimated dates for beginning and completing its execution and completion, as well as the date of any extension or extensions, if expected.
- 8) Conditions for receipt, delivery or acceptance of the services.
- 9) Terms of payment.
- 10) Assumptions in which termination is called for.
- 11) Accounting program or heading to which the price will be charged, if applicable.
- 12) The objective and temporal extent of the duty of confidentiality, if any, required of the contractor.

In addition to the whole award procedure described above, the approved tender notice, if any, for purposes of complying with the principle of publicity, will be published for a minimum period of ten days, unless the urgency of the contract requires a shorter period. In such case, the notice will appear in the contractor profile on the company website.

IX. MINOR CONTRACTS

Minor contracts amounting to less than 50,000 Euros in the case of work contracts or 18,000 Euros in the case of other contracts, may be awarded directly to any business with legal competence and capacity and which has the professional

qualification needed to provide the service, and just the approval of the expenditure, inclusion of the invoice and the work estimate are necessary in a contract of this sort.

X. ADDRESS FOR REQUESTING INFORMATION AND NOTIFICATIONS

For any additional information needed in relation to these instructions, please send a written request to the following address:

ENUSA INDUSTRIAS AVANZADAS, S.A. Santiago Rusiñol, 12. 28040 – Madrid

ENUSA INDUSTRIAS AVANZADAS, S.A.
The Board of Directors