

# STANDARD PROCUREMENT TERMS AND CONDITIONS FOR GOODS AND SERVICES

Annex – Procurement Guidelines

## 1. GENERAL TERMS AND CONDITIONS

1.1 These standard procurement terms and conditions with appendix 1 (the "Agreement") apply to the supply of goods and/or services from the SUPPLIER to the NORWEGIAN RED CROSS("NoRC"), unless otherwise agreed in writing. All SUPPLIERS must submit a duly completed Supplier Registration Form to be considered eligible for engagement with the Norwegian Red Cross.

The NoRC reserves the right to revise the Agreement if necessary.

NoRC has a responsible procurement practice, including the obligation to conduct due diligence regarding negative impact on human rights and decent working conditions and having strategies and guidelines adopted to NoRC where NoRC is committed to respect humans, society and environment. NoRC supports the right to join labour unions and other types of democratic employee representation. NoRC follows Ethical Trade Norway's Code of Conduct.

### 1.2 Orders

Orders from the NoRC shall be in writing.

In consultancy services, the SUPPLIER shall not assign any persons other than those accepted in writing by the NoRC

### 1.3 Order confirmation

Deliveries shall be confirmed in writing. The order confirmation shall contain the necessary data provided in order to ensure correct delivery.

### 1.4 Contact

Notices and other written enquiries from the SUPPLIER to the NoRC in accordance with this Agreement shall be directed to the respective procurement point of contact, unless the NoRC has instructed the SUPPLIER otherwise.

## 2. DELIVERY TERMS

### 2.1 Delivery of goods

Unless otherwise agreed, the terms of delivery are freight paid to the delivery address of the NoRC, DDP, ref. latest edition of Incoterms 2020.

At the time of shipment, the goods shall be packed so that damage is avoided during transport. Packing lists should contain references, mode of transport, delivery address, content, and date of delivery. Unless the parties have agreed otherwise in writing, delivery shall take place between 08:00-17:00 Mondays to Fridays, excluding public holidays. THE SUPPLIER shall notify the NoRC of the specific time of delivery at the receiving point no later than 24 hours before delivery.

### 2.2 Complaints, defects and errors

The NoRC will present claims in respect of errors and/or defects in goods and/or services within a reasonable time after the errors/defects have been detected. All supplies of goods and/or services shall be of good quality.

The SUPPLIER shall promptly correct errors and/or defects at no cost to the NoRC.

If the SUPPLIER does not take the necessary measures to bring the delivery into contractual condition within 14 working days after the written complaint from the NoRC, or does not complete these measures without undue delay, the NoRC has the right to rectify or replace the delivery with corresponding goods or services at the SUPPLIER's expense and risk.

The SUPPLIER shall be informed before the work is initiated.

The NoRC may, with reasonable notice, inspect the production of the goods or the performance of the services in order to check correct fulfilment of the order. Such inspections shall follow the same procedure as described in Section 12 on inspections and audits.

If a delivery, or part thereof, is not in accordance with what the parties have agreed, the NoRC may cancel all or part of the procurement or use other remedies for deficiencies.

### 2.3 Delays

If there is reason to believe that the agreed delivery time cannot be complied with, the SUPPLIER shall immediately notify the NoRC and indicate the reason for the delay and the new delivery time.

If a delivery is delayed, unless force majeure can be invoked, the NoRC reserves the right to require a price reduction or compensation. In the event of a material delay the NoRC reserves the right to cancel the procurement.

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The SUPPLIER can only invoke a delay from a subcontractor as force majeure if the SUPPLIER can document that the force majeure situation is continuing and it is not possible to use other subcontractors.

## 3. COSTS

Unless otherwise agreed, the prices are fixed, , incl. VAT, necessary packaging, customs duties, taxes and other duties/fees etc. Price increases after agreed delivery will not be accepted.

The NoRC will not pay for goods/services or quantities beyond what is included in the order, without it being approved in writing by the NoRC.

## 4. INVOICING AND PAYMENT TERMS

"Order's Reference" shall be filled in so that the invoice is sent internally to the person responsible for approving payment. Invoices shall clearly indicate what the delivery concerns and be addressed to the correct organisation number in the NORC in order to be considered a correct invoice. If this information is missing, the invoice will be considered invalid. The NoRC will not pay interest or fees resulting from failure to comply with the invoicing requirements.

The payment terms shall never be less than one free invoice month (+30 days) after the NoRC has approved the delivery and the correct invoice and agreed vouchers/documentation have been received.

**5. LICENCES/PERMITS/PATENTS** The SUPPLIER guarantees to the NoRC that the SUPPLIER, including any subcontractors, holds all the necessary material and intellectual property rights associated with the delivery. The SUPPLIER shall indemnify the NORC against any liability, loss or expenses arising from claims, lawsuits, etc. arising from the use of goods and/or services that the SUPPLIER has delivered to the NoRC.

## 6. COPYRIGHT

The NoRC owns the copyright to text, photos, illustrations, layouts and other protected material developed during the agreement period at any time. The transfer of copyright and other intellectual property rights takes place upon payment from the NoRC to the SUPPLIER for the delivery. Such transfer grants the NoRC an exclusive, irrevocable and free of compensation right to use material developed during the cooperation. The right includes, but is not limited to, a right to use material in all operations associated with the NoRC nationally and internationally and in a commercial context, to produce copies and for disclosure to the general public, and to make changes to, or otherwise modify, process or further develop the material for further use or new purposes.

## 7. PRIVACY PROTECTION

Both parties shall comply with applicable privacy protection regulations, including the General Data Protection Regulation (GDPR), when processing personal data and shall continuously assess their roles and responsibilities under the regulations. If the SUPPLIER processes personal data on behalf of the NoRC, the SUPPLIER shall comply with the NoRC's data processor agreement. If a delivery requires another type of data processing agreement, the SUPPLIER shall make sure a data processing agreement compliant with GDPR is signed before the SUPPLIER or subcontractor process personal data on behalf of NoRC.

## 8. QUALITY ASSURANCE

The SUPPLIER shall have a satisfactory quality system suitable for the nature of the goods and that ensures that the delivery meets the specifications and quality requirements of the NORC. At the request of the NoRC, the SUPPLIER shall document the system and ensure that it is being used satisfactorily.

## 9. LIABILITY FOR SUBCONTRACTORS

If the SUPPLIER engages contract facilitators (subcontractors, consultants, etc.) to perform tasks, the SUPPLIER is fully responsible for the performance of these tasks in the same way as if it itself was responsible for the performance.

## 10. INSURANCE

The SUPPLIER shall take out the necessary non-life and liability insurance cover for the liability it may incur in the event of damage to the NoRC and/or third-party property and/or persons.

**11. HEALTH, SAFETY AND THE ENVIRONMENT** The SUPPLIER undertakes to comply with applicable regulatory requirements for safeguarding health, safety and the environment. The SUPPLIER is obliged to provide goods and/or services to the NoRC of high environmental quality and with the least possible risk of dangerous or harmful situations.

## 12. CORPORATE SOCIAL RESPONSIBILITY

The SUPPLIER undertakes to conduct its business in such a way that it does not violate the terms of the Code of Conduct which are Appendix 1 to these Terms, as well as internationally recognised standards and rules relating to international humanitarian law, human rights, workers' rights, prohibitions on the use of child labour, the environment and anti-corruption. The SUPPLIER shall complete the supplier registration form to document fulfilment of the Code of Conduct, and NoRC minimum requirements for due diligence regarding sustainable business conduct. The SUPPLIER shall actively work on due diligence regarding sustainable business conduct to prevent a breach of the Agreement and contribute to sustainable improvements for humans, environment and society in the supply chain, including remedies to fulfill the agreement in case of breach.

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The SUPPLIER undertakes to only use subcontractors and contract facilitators that the SUPPLIER, in good faith and with due diligence, deems to meet the requirements pursuant to the Code of Conduct and the international standards and rules referred to in this provision and appendices. The SUPPLIER shall make its subcontractors and contract facilitators aware of their obligations under these rules, and the NoRC accepts that the SUPPLIER applies this Agreement with the Code of Conduct and the Self-Declaration Form to the SUPPLIER's subcontractors and contract facilitators.

If the SUPPLIER becomes aware that a subcontractor is in breach of any of these obligations, the SUPPLIER shall promptly notify the NoRC of the breach and select another subcontractor.

The NoRC invokes the right to inspect, control and audit the SUPPLIER and contract facilitators with respect to compliance with the Agreement. The NoRC may also use a third party to carry out these controls. The SUPPLIER is obliged to cooperate with the NoRC by enabling physical inspections and providing relevant documentation and information. Inspections or audits shall be carried out between 08:00-17:00 Mondays to Fridays, excluding public holidays. The NoRC shall notify the SUPPLIER in writing no later than 48 hours prior to the implementation of such an inspection and audit. The parties bear their own costs for conducting controls, audits or inspections. The duty of the NoRC to inspect may be exercised at least once a year. The SUPPLIER is thus obliged, in accordance with the principal's procedure, to document the pay and working conditions of its employees or subcontractors performing services for the NoRC.

### 13. ADVERTISING

The SUPPLIER, including its subcontractors or other contract facilitators, is not permitted to use the name, logo or registered trademarks of the NoRC, etc. in connection with the promotion, advertising or marketing of its operations without the prior written consent of the NoRC.

### 14. DUTY OF CONFIDENTIALITY

The SUPPLIER is obliged to maintain confidentiality and prevent unauthorised parties from gaining knowledge of confidential information that the SUPPLIER obtains from the NoRC in connection with the Agreement. Confidential information means any kind of information which is not intended to be disclosed to a third party and is not already publicly known. The SUPPLIER is obliged to inform its employees, subcontractors and contract facilitators who provide goods or perform services for the NoRC that if, during assignments for the NoRC, they gain knowledge of, or have at their disposal, trade or operational secrets, correspondence, personal matters, etc., such information must not be used or disclosed to unauthorised parties. Breaches of this duty of confidentiality may result in claims for compensation. The duty of confidentiality also applies after termination of this Agreement.

### 15. DISPUTES

Efforts shall be made to resolve any disputes through negotiations. If negotiations do not succeed within one month after initiation, any party can demand that the difference or dispute, controversy or claim arising out of or relating to Agreement or the breach, termination, or invalidity thereof, is to be settled by arbitration in accordance with the United Nations Commission of International Trade Law (UNCITRAL), arbitration rules presently in force. The choice of law will be that of Norway. The arbitration will take place in Geneva, Switzerland, and the language of the proceedings shall be English. It will be presided over by one arbitrator if the dispute concerns values below an amount corresponding to NOK 5 000 000. If the disputed value is above that threshold, the arbitral tribunal shall be presided by three arbitrators.

## Appendix 1

### Code of Conduct for Corporate Social Responsibility for Suppliers to the Norwegian NoRC

#### 1. Definitions

The terms and conditions of this statement of ethics constitute the Code of Conduct for Corporate Social Responsibility for Suppliers to the Norwegian NoRC (hereinafter the "**Code of Conduct**"). The Code of Conduct applies to any partner, supplier or other service provider (hereinafter "**Supplier**") to the Norwegian NoRC (hereinafter the "**NoRC**"). The Code of Conduct is an appendix to the Standard Procurement Terms and Conditions that accompanies the agreement or the order confirmation between the Supplier and the NoRC (hereinafter referred to as the "**Main Agreement**").

Every Supplier shall comply with national statutory requirements, as well as these ethical guidelines, known as the Code of Conduct, and internationally recognised standards and conventions. This means that every Supplier undertakes to comply with the Geneva Conventions, the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the UN conventions on climate change, diversity, rights and discrimination, including the Paris Agreement, the UN Convention on the Rights of the Child and the ILO Conventions, the European Convention on Human Rights. The Supplier is obliged to ensure that goods and services provided to the NoRC and other work carried out in cooperation with, or on behalf of, the NoRC meet the requirements set out below.

#### 2. Corporate social responsibility

##### 2.1 Respect for human rights

The Supplier shall respect and safeguard internationally recognised human rights. The Supplier shall respect the privacy, dignity and other personal rights of all people.

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## **2.2 The fundamental principles of the NoRC**

The Supplier is aware that the NoRC is a humanitarian organisation whose purpose is to provide assistance within the framework of the seven Fundamental Principles of the NoRC and Red Crescent. The Supplier shall contribute to the NoRC's ability to comply with these principles as briefly explained below.

### **2.2.1 Humanity**

The International NoRC and Red Crescent Movement, born of a desire to bring assistance without discrimination to the wounded on the battlefield, endeavours, in its international and national capacity, to prevent and alleviate human suffering wherever it may be found. Its purpose is to protect life and health and to ensure respect for the human being. It promotes mutual understanding, friendship, cooperation and lasting peace amongst all peoples.

### **2.2.2 Impartiality**

It makes no discrimination as to nationality, race, religious beliefs, class or political opinions. It endeavours to relieve the suffering of individuals, being guided solely by their needs, and to give priority to the most urgent cases of distress.

### **2.2.3 Neutrality**

In order to continue to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

### **2.2.4 Independence**

The Movement is independent. The national societies, whilst auxiliaries in the humanitarian services of their governments and subject to laws of their respective countries, must always maintain their autonomy so that they may be able at all times to act in accordance with the principles of the Movement.

### **2.2.5 Voluntary service**

It is a voluntary relief movement not prompted in any manner by desire for gain. The Movement has volunteers throughout the world who give their time to help people in need.

### **2.2.6 Unity**

There can be only one NoRC or one Red Crescent Society in any one country. It must be *Code of Conduct for Suppliers to the Norwegian NoRC* open to all. It must carry out its humanitarian work throughout its territory.

### **2.2.7 Universality**

The International NoRC and Red Crescent Movement, in which all national societies have equal status and share equal responsibilities and duties in helping each other, is worldwide.

## **2.3 Prohibition against discrimination and harassment**

The Supplier is obliged to practise zero tolerance of both direct and indirect discrimination on the basis of gender, gender identity, gender expression, pregnancy, leave of absence in the event of birth or adoption, care duties, ethnicity, religion, beliefs, disability, sexual orientation, age or combinations of these foundations. The Supplier shall practise zero tolerance of harassment, including sexual harassment, as well as all forms of threatening and exploitative behaviour. The Supplier shall have internal whistleblowing procedures to deal with circumstances that contravene this Code of Conduct and preferably have something equivalent to the Code of Conduct.

## **2.4 Employment conditions and working conditions**

The Supplier shall comply with national laws and international standards for the working environment and working conditions. This means that the Supplier shall ensure that health, safety and the environment are safeguarded for workers who perform work for the Supplier. This also applies to contractors who perform work for the Supplier or where the Supplier is able to exert an influence on health, safety and the environment at the contractor.

The Supplier shall not use coercion in any way in connection with working or contractual conditions and is obliged to ensure that the employment relationship between employees or contractors and the Supplier, as the employer or contractor, is based on voluntary service. The Supplier shall ensure that all employees are free to terminate their employment after informing the Supplier of this in a reasonable manner. The Supplier shall also recognise the right to freedom of association and facilitate collective bargaining if a significant proportion of its workers want this. The Supplier shall arrange for representatives or members of trade unions to fulfil the duties of their office in the workplace.

### **2.4.1 Child labour**

The Supplier shall exercise particular diligence in relation to the use of underage workers. Children under the age of 18 shall not, under any circumstances, carry out work that may jeopardise their health or safety. Children under the age of 15 shall not, under any circumstances, perform work that may harm or be detrimental to their ability to take or complete education.

### **2.4.2 Pay conditions**

For workers in Norway, the Supplier shall operate with pay that at least corresponds to the industry standard, or minimum wage in those industries where a minimum wage has been introduced. When using workers in other countries, and especially in low-cost countries, the Supplier shall ensure that the wages of workers are at least in line with the highest national minimum wage regulations or industry standard in the country.

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## **2.5 Climate and Environment**

The Supplier shall comply with international environmental standards. The Supplier shall apply a "precautionary principle" to issues related to pollution, environmental risks and other environmental and climate challenges. Furthermore, the Supplier should strive to promote responsible environmental attitudes, as well as contribute to the use and development of eco-friendly technology and products. The Supplier must comply with all environmental requirements set by the NoRC for the procurement.

## **3. Cooperation with the NoRC**

### **3.1 Business methods, anti-corruption and anti-money laundering**

The Supplier shall avoid and internally prohibit business practices that may reasonably be deemed improper. The Supplier shall be familiar with, and is obliged to comply with applicable legislation relating to bribery, corruption, fraud, money laundering and other illegal business activities. The Supplier shall prevent corruption in its business practices and shall not directly or indirectly provide any improper benefit, service or incentive to third parties for the purpose of obtaining personal or business gain. *Code of Conduct for Suppliers to the Norwegian NoRC*

### **3.2 Use of subcontractors**

*If the Supplier uses subcontractors for goods or services delivered to the NoRC, or for other assignments that the Supplier performs for or with the NoRC, the Supplier is obliged to contribute to ensuring that subcontractors are also familiar with and comply with the terms of the Statement.*

### **3.3 Reputation**

*The Supplier shall not take any action or express itself in a manner liable to adversely affect the reputation or goodwill of the NoRC. Accordingly, the Supplier shall avoid acting or expressing itself in a manner liable to weaken people's trust in the NoRC, and thus also the NoRC's ability to carry out its relief work within the framework of the seven principles.*

### **3.4 Respect for international humanitarian law**

*The Supplier and its subcontractors shall not take any action or express themselves in a manner that contravenes international humanitarian law. The main international regulations are mentioned in Section 1 second paragraph. This includes, among other things, that the Supplier shall not export articles in violation of humanitarian law or conduct other trade practices that may contribute to undermining the principles of international law.*

### **3.5 Activities that conflict with the NoRC movement's principles and values**

*The Supplier shall inform the NoRC if the Supplier carries out activities that conflict with, or may conflict with, the NoRC movement's humanitarian principles and values. Such activities are the production or sale of weapons, pornography, drugs (including, but not limited to, alcohol and tobacco) and coal. The Supplier shall also inform the NoRC if it carries out other activities that in the opinion of the Supplier may conflict with the NoRC movement's principles and values.*

### **3.6 The right of the NoRC to inspect**

*The Supplier shall, upon request, make available to the NoRC all the information and documentation necessary to prove that the obligations set out in this Code of Conduct have been fulfilled.*

### **3.7 Notice of breach**

*If the Supplier detects or suspects a breach of the Code of Conduct, either internally or externally by a subcontractor, the Supplier shall report this to the contact point specified in Section 1.4 of the Main Agreement.*

### **3.8 Breach of contract**

*If the Supplier fails to comply with the terms of the Code of Conduct, this shall constitute a breach of contract. In the event of a breach of contract, the Supplier is obliged to rectify the deficiency in its own operations and/or order subcontractors to carry out a corresponding rectification. Rectification of the deficiencies shall be documented in writing. If rectification is not implemented within a reasonable time, the NoRC may claim compensation for the financial loss suffered by the NoRC as a result of the breach of contract. In the event of significant breach of the Code of Conduct, the NoRC may terminate the contract with the Supplier. In assessing whether the materiality requirement has been met, both the NoRC's financial losses and potential loss of reputation shall be taken into account. Repeated breaches of the Code of Conduct, or failure to follow-up after the NoRC has pointed out the situation in writing with a deadline for rectifying breaches of this Code of Conduct, shall always be regarded as a material breach of contract.*

*(Please sign and stamp all pages)*