

**Terms and Conditions for the Purchase or Hire of Goods and / or Purchase of Services  
by Northern Gas Networks Operations Limited / Northern Gas Networks Limited**

**1. INTERPRETATION**

1.1 The definitions and rules of interpretation in this condition apply in these conditions.

**"Company" / "Customer"** – Northern Gas Networks Operations Limited or Northern Gas Networks Limited as set out in the Purchase Order.

**"Contract"** - the Purchase Order and the Supplier's acceptance of the Purchase Order incorporating these terms and conditions.

**"Data Protection Legislation"** means the Data Protection Act 2018 or replacement legislation (as amended), the Privacy and Electronic Communications (EC Directive) Regulations 2003 (as amended), General Data Protection Regulation (Regulation (EU) 2016/679), any subordinate legislation from time to time together with any guidance and/or all other data protection laws, regulations, codes of practice issued by the Information Commissioner or relevant government department and statutory instruments as may be in force in relation to such legislation in the United Kingdom from time to time

**"Environmental Information Regulations (EIRs)":** the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations

**"Goods"** - any goods agreed in the Contract to be bought / hired by the Company from the Supplier (including any part or parts of them).

**"Insolvency Event"** means:

- (i) the passing of a resolution for the Supplier's winding-up (other than for the purpose of and followed by a solvent reconstruction or amalgamation) or summoning a meeting to pass any such resolution; or
- (ii) the Supplier having a petition for a winding-up order presented against it; or
- (iii) a petition for an administration order being presented in relation to the Supplier; or
- (vi) a receiver, administrator, administrative receiver, receiver and manager or similar officer being appointed by any person of all or substantially all of the Supplier's property, assets or undertakings; or
- (v) the Supplier making a proposal for or becoming the subject of a voluntary arrangement as defined in Section 1 of the Insolvency Act 1986; or
- (vi) the Supplier entering into any other arrangement with its creditors or substantially all of them; or
- (vii) the Supplier being unable to pay its debts for the purposes of Section 123 of the Insolvency Act 1986, ignoring Section 123(1)(a) thereof, or any distress, execution or other process being levied upon the whole or substantially all of the Supplier's assets.

**"Purchase Order"** - the Company's written instruction to supply the Goods/Services, incorporating these conditions.

**"Price"** - the amount stated in the Purchase Order as the purchase/hire price of the Goods / Services.

**"Request for Information":** a request for information or an apparent request under the EIRs.

**"Services"** means the services if any as stated in the Purchase Order

**"Supplier"** means the person, firm or company who accepts the Company's Purchase Order.

1.2 A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it.

1.3 A reference to one gender includes a reference to the other gender.

1.4 Condition headings do not affect the interpretation of these conditions.

**2. APPLICATION OF TERMS**

2.1 Subject to any variation under condition 2.4, these conditions are the only conditions upon which the Company is prepared to deal with the Supplier and they shall govern the Contract to the entire exclusion of all other terms or conditions.

2.2 Each Purchase Order for Goods/Services by the Company from the Supplier shall be deemed to be an offer by the Company to buy/hire Goods/Services subject to these conditions and no Purchase Order shall be accepted until the Supplier either expressly by giving notice of acceptance, or impliedly by fulfilling the Purchase Order, in whole or in part accepts the offer.

2.3 No terms or conditions endorsed upon, delivered with or contained in the Supplier's quotation, acknowledgement or acceptance of order, specification or similar document shall form part of the Contract and the Supplier waives any right which it otherwise might have to rely on such terms and conditions.

2.4 These conditions apply to all the Company's purchases/hires and any variation to these conditions shall have no effect unless expressly agreed in writing and signed by an authorised signatory of the Company.

**3. QUALITY AND DEFECTS**

3.1 The Goods (if any) shall be of the best available design, of the best quality, material and workmanship, be without fault and conform in all respects with the Purchase Order and specification and/or patterns supplied or advised by the Company to the Supplier. The Supplier shall provide the Services (if any) with all reasonable care and skill and shall meet the Company's requirements.

3.2 The Company's rights under these conditions are in addition to the statutory conditions implied in favour of the Company by the Sale of Goods Act 1979 and all other statutory rights.

3.3 At any time prior to delivery of the Goods and/or completion of the Services the Company shall have the right to inspect and test the Goods/Services.

3.4 If the results of such inspection or testing cause the Company to be of the opinion that the Goods/Services do not conform or are unlikely to conform with the Purchase Order or to any specifications and/or patterns supplied or advised by the Company to the Supplier, the Company shall inform the Supplier and the Supplier shall immediately take such action as is necessary to ensure conformity and in addition the Company shall have the right to require and witness further testing and inspection.

3.5 Notwithstanding any such inspection or testing, the Supplier shall remain fully responsible for the Goods/Services and any such inspection or testing shall not diminish or otherwise affect the Supplier's obligations under the Contract.

3.6 If any of the Goods/Services fail to comply with the provisions set out in condition 3 the Company shall be entitled to avail itself of any one or more remedies listed in condition 15.

#### 4. INDEMNITY AND LIABILITY

4.1 The Supplier shall keep the Company indemnified in full against all liabilities, loss, damages, injury, costs and expenses (including legal and other professional fees and expenses) awarded against or incurred or paid by the Company as a result of or in connection with:

- (a) the Seller's breach of the Contract and/or negligent act or omission.
- (b) defective workmanship, quality or materials;
- (c) an infringement or alleged infringement of any intellectual property rights caused by the use, manufacture or supply of the Goods/Services; and
- (d) any claim made against the Company in respect of any liability, loss, damage, injury, cost or expense sustained by the Company's employees or agents or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Goods/Services as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance of the terms of the Contract by the Supplier.

4.2 The Company's liability to the Supplier under in connection with the Contract (excluding indirect and consequential losses which shall be excluded altogether) howsoever arising shall be limited to the Price (save for liabilities which cannot be limited or excluded in law).

#### 5. HAZARDOUS GOODS (GOODS ONLY)

5.1 The Supplier shall, on or before delivery of the Goods, inform the Company of all information held by, or reasonably available to, the Supplier regarding any potential hazards, known or which ought reasonably to have been known by the Supplier, including, but without limitation, relating to the transport, handling or use of the Goods.

5.2 The Supplier shall mark or procure to be marked all Goods in relation to which there are or may be hazards including, but without limitation, in relation to their transport, handling or use, with the relevant internationally recognised danger symbol(s) and shall identify by name the nature of the hazardous material in English. All transport and other documents must include a declaration of the hazard and the name of the hazardous material in English. Goods must be accompanied by all relevant emergency information in English in the form of written instructions, labels or markings. The Supplier shall observe the requirements of all relevant UK and international agreements relating to the packing, labelling and carriage of hazardous goods and shall ensure full conformance with all applicable laws relating to hazardous goods and the storage, handling, use, supply, labelling, packaging, sale, transportation and disposal of the same.

5.3 Without limiting the Supplier's obligations under clauses 5.1 and 5.2 above, the Supplier shall, prior to delivery of the Goods, provide the Company with adequate instructions for the safe handling, storage and use of Goods. The instructions shall include, but not be limited to, the following:

- (a) hazard data;
- (b) an assessment of the risks posed by the handling, storage and use of the Goods;
- (c) a description of the control measures to be implemented;

- (d) details of any protective clothing that is required or recommended;
- (e) details of any maximum exposure limits or occupational exposure standards applicable to any substance forming the whole or part of the Goods;
- (f) any recommendations for health surveillance;
- (g) recommendations regarding the provision, maintenance, cleaning and testing of any respiratory protective equipment or local exhaust ventilation that may be required; and
- (e) recommendations for dealing effectively and lawfully with waste arising from the Goods, including, but not limited to, the means of disposal.

#### 6. DELIVERY (GOODS ONLY)

6.1 The Goods shall be delivered, carriage paid, to the Company's place of business or to such other place of delivery as is agreed by the Company in writing prior to delivery of the Goods or as stated in the Purchase Order. The Supplier shall off-load the Goods at its own risk as directed by the Company.

6.2 The date for delivery shall be specified in the Purchase Order, or if no such date is specified then delivery shall take place within 28 days of the Purchase Order.

6.3 The Supplier shall invoice the Company upon, but separately from, delivery of the Goods to the Company.

6.4 The Supplier shall ensure that each delivery is accompanied by a delivery note which shows, inter alia, the Purchase Order number, date of Purchase Order, number of packages and contents and, in the case of part delivery, the outstanding balance remaining to be delivered.

6.5 Unless otherwise stipulated by the Company in the Purchase Order, deliveries shall only be accepted by the Company in normal business hours.

6.6 If the Goods are not delivered on the due date then, without prejudice to any other rights which it may have, the Company reserves the right to:

- (a) cancel the Contract in whole or in part;
- (b) refuse to accept any subsequent delivery of the Goods which the Supplier attempts to make;
- (c) recover from the Supplier any expenditure reasonably incurred by the Company in obtaining the Goods in substitution from another supplier; and
- (d) claim damages for any additional costs, loss or expenses incurred by the Company which are in any way attributable to the Supplier's failure to deliver the Goods on the due date.

6.7 If the Supplier requires the Company to return any packaging material to the Supplier that fact must be clearly stated on any delivery note delivered to the Company and any such packaging material shall only be returned to the Supplier at the cost of the Supplier.

6.8 Where the Company agrees in writing to accept delivery by installments the Contract shall be construed as a single contract in respect of each installment. Nevertheless failure by the Supplier to deliver any one installment shall entitle the Company at its option to treat the whole Contract as repudiated.

6.9 If the Goods are delivered to the Company in excess of the quantities ordered the Company shall not be bound to pay for the excess and any excess shall be and shall remain at the Supplier's risk and shall be returnable at the Supplier's expense.

6.10 The Company shall not be deemed to have accepted the Goods until it has had 30 days to inspect them following delivery. The Company shall also have the right to reject the Goods as though they had not been accepted for 30 days after any latent defect in the Goods has become apparent.

## 7. RISK/PROPERTY (GOODS ONLY)

The Goods shall remain at the risk of the Supplier until delivery to the Company is complete (including off-loading and stacking) when risk in and ownership (where the Goods are being purchased outright) of the Goods shall pass to the Company. If the Company is hiring the Goods, risk in the Goods shall revert to the Supplier once the Goods have been off-hired to the Supplier.

## 8. PRICE

- 8.1 The price of the Goods/Services shall be stated in the Purchase Order and unless otherwise agreed in writing by the Company shall be exclusive of value added tax but inclusive of all other charges.
- 8.2 No variation in the price nor extra charges shall be accepted by the Company unless the Company agrees in writing.

## 9. PAYMENT

- 9.1 The Supplier shall invoice the Company once the Supplier has delivered the Goods to the Company and /or completed the Services to the satisfaction of the Company.
- 9.2 The Company shall pay each valid invoice within 30 days of receipt.
- 9.3 Unless otherwise agreed in writing the Supplier shall submit invoices and make all initial enquiries with respect to payment to Northern Gas Networks, Accounts Payable, Thorpe Park Business Park, 1100 Century Way, Colton, Leeds, LS15 8TU.
- 9.4 Without prejudice to any other right or remedy, the Company reserves the right to set off any amount owing at any time to it from the Supplier against any amount payable by the Company to the Supplier under the Contract.
- 9.5 If any sum under the Contract is not paid when due then, without prejudice to the parties' other rights under the Contract, that sum shall bear interest from the due date until payment is made in full, both before and after any judgment, at 2% per annum over the Royal Bank of Scotland Plc base rate from time to time. The Supplier is not entitled to suspend deliveries of the Goods / performance of the Services as a result of any disputed sums being outstanding.

## 10. CONFIDENTIALITY

The Supplier shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the Supplier by the Company or its agents and any other confidential information concerning the Company's business or its products which the Supplier may obtain and the Supplier shall restrict disclosure of such confidential material to such of its employees, agents or sub-contractors as need to know the same for the purpose of discharging the Supplier's obligations to the Company and shall ensure that such employees, agents or sub-contractors are subject to like obligations of confidentiality as bind the Supplier.

## 11. DATA PROTECTION

- 11.1 The terms "Controller", "Processor", "Data Subject", "Personal Data", "Personal Data Breach" and "Process/Processing" have the same meaning as described in the Data Protection Legislation.
- 11.2 The Parties acknowledge that, for the purposes of Data Protection Legislation, in performing this Contract, the Supplier is a Processor and the Company is the Controller.
- 11.3 When handling Personal Data provided by or collected or generated on behalf of the Company ("Company Personal Data"), the Supplier must:

- (a) have in place appropriate technical and organisational measures to protect such Company Personal Data processed by it against unauthorised or unlawful processing and against accidental loss, destruction, or damage and will provide the Company with details of such security measures and procedures in relation to its processing of Company Personal Data;
  - (b) process Company Personal Data solely in order to meet its obligations under this Contract and in accordance with the terms of this Contract or any other express written instructions of the Company;
  - (c) promptly (and in any case by the end of the next working day) notify the Company in writing (providing full details) if any Company Personal Data may have been lost, destroyed, damaged, corrupted or accessed by or disclosed to unauthorised third parties or if it suspects or has reason to believe any Company Personal Data may have been lost, destroyed, damaged, corrupted or accessed by or disclosed to unauthorised third parties;
  - (d) promptly notify the Company of any request by a Data Subject relating to exercise of a right of a data subject pursuant to Data Protection Legislation and provide such assistance as is reasonably requested by the Company to allow the Company to comply with the request;
  - (e) process Company Personal Data in compliance with Data Protection Legislation and any applicable law and immediately inform the Company if it believes any instruction or processing is likely to breach such law;
  - (f) co-operate fully with the Company and any regulatory body and promptly (and in any case by the end of the next Working Day) make available to the Company upon request, all information necessary to demonstrate its compliance with this clause 10;
  - (g) promptly and properly respond to all enquiries and written instructions from the Company relating to processing of Company Personal Data in order to enable the Company to meet in good time any requirements imposed by Data Protection Legislation;
  - (h) meet its obligations under this Contract so as in no respect whatsoever to cause the Company to breach any of its obligations under Data Protection Legislation; and
  - (i) promptly: (i) following termination or expiry of this Contract at the Company's choice; or (ii) in any circumstance where the Company is required by Data Protection Legislation at the Company's request, delete or return the Company Personal Data and delete all existing copies of the Company Personal Data.
- 11.4 The Supplier must not engage a subcontractor to process the Company Personal Data without the prior written consent of the Company. Where the Supplier engages a subcontractor in accordance with this clause the Supplier must ensure that it imposes obligations on the subcontractor that are substantially the same as the obligations imposed on the Supplier under this clause 11.
- 11.5 The Supplier must fully indemnify the Company, and keep the Company fully indemnified, against all losses and liabilities (including fines and penalties) which the Company may suffer or incur as a result of the Supplier's failure (or the failure of any the Supplier's or subcontractor of Supplier) to comply with the obligations of this clause 11.
- 11.6 The Supplier must ensure the Company Personal Data is not made available by default to all personnel of Supplier or all personnel of any subcontractor and that only such staff as are strictly required to do so in order to meet its obligations under this Contract and have committed themselves to confidentiality shall have access to the Company Personal Data.

- 11.7 The Supplier agrees to allow its (and must ensure that those of its subcontractors allow their) data processing facilities, procedures and documentation which relate to the processing of the Company Personal Data to be scrutinised by auditors of the Company in order to ascertain compliance with the terms of this Contract.
- 11.8 The Supplier must notify the Company immediately upon receiving any notice or communication from any the Company's customers or employees or a regulatory body which relates directly or indirectly to the processing of the Company Personal Data or other Law applicable to the Company
- 11.9 The Supplier may only disclose any personal data provided to it under the terms of this Contract to third party subcontractors of the Supplier with the prior written consent of the Company (which may be withheld in the Company's absolute discretion).
- 11.10 The Supplier shall not transfer any of the Company Personal Data outside the United Kingdom without the prior written consent of the Company (which may be withheld in its absolute discretion).
- 11.11 In the event that the Company processes Personal Data on behalf of the Supplier, it shall comply with Data Protection Legislation.

## 12. ENVIRONMENTAL INFORMATION REGULATIONS

- 12.1 The Supplier acknowledges that the Company is subject to the requirements of the EIRs. The Supplier shall:
- provide all necessary assistance and cooperation as reasonably requested by the Company to enable the Company to comply with its obligations under the EIRs;
  - transfer to the Company all Requests for Information relating to this Contract that it receives as soon as practicable and in any event within 2 working days of receipt;
  - provide the Company with a copy of all information belonging to the Company requested in the Request For Information which is in its possession or control in the form that the Company requires within 5 working days (or such other period as the Company may reasonably specify) of the Company's request for such information; and
  - not respond directly to a Request For Information unless authorised in writing to do so by the Company.
- 12.2 The Supplier acknowledges that the Company may be required under the EIRs to disclose information (including confidential information) without consulting or obtaining consent from the Supplier. The Company shall take reasonable steps to notify the Supplier of a Request For Information to the extent that it is permissible and reasonably practical for it to do so but (notwithstanding any other provision in this Contract) the Company shall be responsible for determining in its absolute discretion whether any confidential information and/or any other information is exempt from disclosure in accordance with the EIRs.

## 13. THE COMPANY'S PROPERTY

- 13.1 Materials, equipment, tools, dies, moulds, copyright, design rights or any other forms of intellectual property rights in all drawings, specifications and data supplied by the Company to the Supplier shall at all times be and remain the exclusive property of the Company but shall be held by the Supplier in safe custody at its own risk and maintained and kept in good condition by the Supplier until returned to the Company and shall not be disposed of other than in accordance with the Company's written instructions, nor shall such items be used otherwise than as authorised by the Company in writing.

- 13.2 (GOODS ONLY) The Supplier shall licence the Company all intellectual property rights (belonging to the Supplier or to any third parties) as necessary to enable the Company to freely use the Goods.

- 13.3 (SERVICES ONLY) The Supplier shall assign all intellectual property rights arising in respect of the Services to the Company.

## 14. CORPORATE CRIMINAL OFFENCES AND EUROPEAN INVESTMENT BANK REQUIREMENTS

- 14.1 The Supplier warrants and represents on behalf of itself and its subcontractors (if any) that it shall comply with the terms of Annex A.
- 14.2 The Supplier shall comply with the European Investment Bank's requirements as set out in Annex A.

## 15. TERMINATION

- 15.1 The Company shall have the right at any time and for any reason to terminate the Contract in whole or in part by giving the Supplier written notice whereupon all work on the Contract shall be discontinued and the Company shall pay to the Supplier fair and reasonable compensation for work-in-progress at the time of termination but such compensation shall not include loss of anticipated profits or any consequential loss.
- 15.2 The Company shall additionally have the right at any time by giving notice in writing to the Supplier to terminate the Contract forthwith if:
- the Supplier commits a material breach of any of the terms and conditions of the Contract and does not remedy such breach (where remediable) within 7 days; or
  - any distress, execution or other process is levied upon any of the assets of the Supplier; or
  - the Supplier suffers an Insolvency Event; or
  - the Supplier ceases or threatens to cease to carry on its business; or
  - the financial position of the Supplier deteriorates to such an extent that in the opinion of the Company the capability of the Supplier adequately to fulfill its obligations under the Contract has been placed in jeopardy; and/or
  - the Supplier breaches clauses 14.1 and/or 14.2 above.
- 15.3 The termination of the Contract, however arising, shall be without prejudice to the rights and duties of the Company accrued prior to termination. The conditions which expressly or impliedly have effect after termination shall continue to be enforceable notwithstanding termination.

## 16. REMEDIES

Without prejudice to any other right or remedy which the Company may have, if any Goods/Services are not supplied in accordance with, or the Supplier fails to comply with, any of the terms of the Contract the Company shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Goods/Services have been accepted by the Company:

- to rescind the Purchase Order;
- to reject the Goods (in whole or in part) / Services and return the Goods/deliverables to the Supplier at the risk and cost of the Supplier on the basis that a full refund for the Goods/deliverables so returned shall be paid forthwith by the Supplier;
- at the Company's option to give the Supplier the opportunity at the Supplier's expense either to remedy any defect in the Goods/Services or to supply replacement Goods/Services and carry out any other necessary work to ensure that the terms of the Contract are fulfilled;

- (d) (GOODS ONLY) to refuse to accept any further deliveries of the Goods but without any liability to the Supplier;
- (e) to carry out at the Supplier's expense any work necessary to make the Goods/Services comply with the Contract; and
- (f) to claim such damages as may have been sustained in consequence of the Supplier's breach or breaches of the Contract.

#### 17. ASSIGNMENT

- 17.1 The Supplier shall not be entitled to assign or subcontract the Contract or any part of it without the prior written consent of the Company. If the Company does approve any subcontracting, the Supplier shall remain responsible as prime contractor.
- 17.2 The Company may assign and / or subcontract the Contract or any part of it to any person, firm or company.

#### 18. FORCE MAJEURE

The Company reserves the right to defer the date of delivery or payment or to cancel the Contract or (GOODS ONLY) reduce the volume of the Goods ordered if it is prevented from or delayed in the carrying on of its business due to circumstances beyond the reasonable control of the Company including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labour disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials.

#### 19. CYBER SECURITY

- 19.1 The Supplier shall have in place at all times:
  - (a) all appropriate and proportionate technical and organisational measures to manage any risks posed to the security of the Network and Information Systems used to support the provision of goods and/or services to the Company, including all measures referred to in Cyber Essentials Plus and ISO270001.
  - (b) appropriate data security breach, business continuity and disaster recovery plans in accordance with any requirements of the Company and best industry practice.
  - (c) valid and up to date physical and cyber security features including but not limited to identification, authentication, authorisation and accountability mechanisms, e.g. encryption (as appropriate), access control, event and communication logging, monitoring, and alarming, to protect any system devices and configuration from unauthorised modification or use and monitor access.
- 19.2 The Supplier must immediately (and in any event within 4 hours) report to the Company any data breaches or cyber

security incidents which relate to the services or data belonging to the Company which it has access to.

- 19.3 The Supplier shall comply with all requests from the Company relating to cyber security (including any additional protection it requires) and shall allow the Company to access any of its systems and records which may be required by the Company to verify the Suppliers' compliance with these terms.

#### 20. MISCELLANEOUS

- 20.1 The Supplier shall maintain adequate insurance protection against the risks it is assuming under the Contract.
- 20.2 (SERVICES ONLY) The Supplier shall complete the Services within the timescale advised by the Company.
- 20.3 (HIRE OF GOODS ONLY) The Purchase Order (or as otherwise agreed by the parties) shall detail the hire period for the hire of any Goods. The Supplier shall provide the Company with operating instructions to enable the Company to safely use or operate the Goods.
- 20.4 The Supplier shall comply with the Company's 'Supplier Code of Conduct' as notified and as may be amended from time to time.

#### 21. GENERAL

- 21.1 Each right or remedy of the Company under the Contract is without prejudice to any other right or remedy of the Company whether under the Contract or not.
- 21.2 If any provision of the Contract is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable it shall, to the extent of such illegality, invalidity, voidability, unenforceability or unreasonableness, be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.
- 21.3 Failure or delay by the Company in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of any of its rights under the Contract.
- 21.4 Any waiver by the Company of any breach of, or any default under, any provision of the Contract by the Supplier shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of the Contract.
- 21.5 The parties to the Contract do not intend that any term of the Contract shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.
- 21.6 The formation, existence, construction, performance, validity and all aspects of the Contract shall be governed by English law and the parties submit to the exclusive jurisdiction of the English courts.
- 21.7 The Company reserves the right to make any changes it requires to these terms and conditions.

## ANNEX A– EUROPEAN INVESTMENT BANK REQUIREMENTS AND CORPORATE CRIMINAL OFFENCES

### European Investment Bank Requirements

The Company from time to time receives funding from the European Investment Bank (EIB) in respect of certain of its capital and other qualifying projects.

Pursuant to this funding, the EIB requires the Company's suppliers (including the Supplier) to comply with the following audit and integrity related obligations in respect of all contracts (Contracts) (including this Agreement) between the Company and each of its suppliers:

- to promptly inform the Company and the EIB of any genuine allegation, complaint or information received or held with regard to criminal offences (being any of the following criminal offences as applicable: fraud, corruption, coercion, collusion, obstruction, money laundering, financing of terrorism);
- in relation to an alleged criminal offence (as defined above), to allow the Company and/or the EIB to review the supplier's books and records in relation to the Contracts and to take copies of documents to the extent permitted by law; and
- to keep books and records of all financial transactions and expenditures in connection with the Contracts.

### Corporate Criminal Offences

#### 1A. *Anti-Bribery and Corruption*

##### 1. Compliance with relevant requirements

##### 1.1 The Supplier shall:

- (a) comply with all applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 (Relevant Requirements);
- (b) not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;
- (c) have and shall maintain in place throughout the term of this agreement its own policies and procedures, including but not limited to adequate procedures under the Bribery Act 2010, to ensure compliance with the Relevant Requirements, and subparagraph 1.1(b) above, and will enforce them where appropriate;
- (d) promptly report to the Company any request or demand for any undue financial or other advantage of any kind received by the Supplier in connection with the performance of this agreement;
- (e) shall provide to the Company such supporting evidence of compliance with this subparagraph 1 as the Company may reasonably request.

1.2 The Supplier shall ensure that any person associated with the Supplier who is performing services in connection with this agreement does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed on the Supplier in this subparagraph 1 (Relevant Terms). The Supplier shall be responsible for the observance and performance by such persons of the Relevant Terms, and shall be directly liable to the Company for any breach by such persons of any of the Relevant Terms.

1.3 Breach of this subparagraph 1 shall be deemed a material breach under the termination clause in the main body of the Agreement.

1.4 For the purpose of this subparagraph 1, the meaning of adequate procedures and whether a person is associated with another person shall be determined in accordance with section 7(2) of the Bribery Act 2010 (and any guidance issued under section 9 of that Act), and section 8 of that Act respectively. For the purposes of this subparagraph 1 a person associated with the Supplier includes but is not limited to any subcontractor of the Supplier.

#### 1B. *Anti-Slavery and Human Trafficking*

### COMPLIANCE WITH ANTI-SLAVERY AND HUMAN TRAFFICKING LAWS AND POLICIES

##### 1.1 In performing its obligations under the agreement, the Supplier shall:

- (a) comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015; and
- (b) have and maintain throughout the term of this agreement its own policies and procedures to ensure its compliance; and
- (c) not engage in any activity, practice or conduct that would constitute an offence under sections 1, 2 or 4, of the Modern Slavery Act 2015 if such activity, practice or conduct were carried out in the UK; and
- (d) include in its contracts with its subcontractors and suppliers anti-slavery and human trafficking provisions that are at least as onerous as those set out in this subparagraph.

## 2. DUE DILIGENCE

- 2.1 The Supplier represents and warrants that:
- (a) neither the Supplier nor any of its officers, employees or other persons associated with it:
    - (i) has been convicted of any offence involving slavery and human trafficking; and
    - (ii) has been or is the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence of or in connection with slavery and human trafficking.
- 2.2 The Supplier shall implement due diligence procedures for its subcontractors and suppliers and other participants in its supply chains, to ensure that there is no slavery or human trafficking in its supply chains.

## 3. REPORTS

- 3.1 The Supplier shall notify the Company as soon as it becomes aware of any actual or suspected slavery or human trafficking in a supply chain which has a connection with this agreement.
- 3.2 The Supplier shall prepare and deliver to the Company on request a report setting out the steps it has taken to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its business.

### 1C. *Anti-facilitation of tax evasion*

#### 1. Anti-facilitation of tax evasion

- 1.1 The Supplier shall:
- (a) not engage in any activity, practice or conduct which would constitute either:
    - (i) a UK tax evasion facilitation offence under section 45(5) of the Criminal Finances Act 2017; or
    - (ii) a foreign tax evasion facilitation offence under section 46(6) of the Criminal Finances Act 2017;
  - (b) have and shall maintain in place throughout the term of this agreement such policies and procedures as are both reasonable to prevent the facilitation of tax evasion by another person (including without limitation employees of the Supplier) and to ensure compliance with subparagraph 1.4(a) above;
  - (c) promptly report to the Company any request or demand from a third party to facilitate the evasion of tax within the meaning of Part 3 of the Criminal Finances Act 2017;
  - (d) provide the Company with such supporting evidence of compliance with this subparagraph as the Company may reasonably request.
- 1.2 The Supplier shall ensure that any person associated with the Supplier who is performing services and providing goods in connection with this agreement does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed on the Supplier in this subparagraph 1 (Relevant Terms). The Supplier shall be responsible for the observance and performance by such persons of the Relevant Terms, and shall be directly liable to the Company for any breach by such persons of any of the Relevant Terms.
- 1.3 Breach of this subparagraph 1 shall be deemed a material breach under the termination clause set out in the main body of the Agreement.
- 1.4 For the purposes of this subparagraph 1, the meaning of reasonable prevention procedure shall be determined in accordance with any guidance issued under section 47 of the Criminal Finances Act 2017 and a person associated with the Supplier includes but is not limited to any subcontractor of the Supplier.

### 1D. *Blocked Persons*

- 1.1 The Supplier represents, warrants, and covenants that (i) it is not and is not controlled by a Blocked Person, (ii) it is not a target of sanctions that have been imposed by the United Nations Security Council, the European Union, Her Majesty's Treasury, the Canadian government (including Global Affairs Canada) or the U.S. government (including the U.S. Department of State), the U.S. Department of Commerce, including the U.S. Office of Foreign Assets Control (OFAC), (collectively, "**Sanctions Authorities**"), and (iv) the items and services provided by the Supplier to the Company were not procured from a Blocked Person or in violation of any sanction administered or enforced by any Sanctions Authorities.

For the purposes of this clause "**Blocked Person**" means (a) a person whose name appears on the list of Specially Designated Nationals and Blocked Persons published by OFAC, (b) a person, entity, organization, country or regime that is blocked or a target of sanctions (in the case of a country, only a country that is blocked or a target of country-wide sanctions) that have been imposed under U.S. Economic Sanctions Laws or (c) a person that is an agent, department or instrumentality of, or is otherwise beneficially owned by, controlled by or acting on behalf of, directly or indirectly, any person, entity, organization, country or regime described in paragraph (a) or (b).