

## 1. Performance of the Service

The Service is defined as all services provided by the Supplier under the Contract, including any tangible and/or intangible products (which may include both goods and services) that should be provided for the execution of the services. The Service shall be performed in accordance with currently applicable laws and regulations. The Supplier shall obtain and maintain all the necessary permits in connection with its activity and with the Service, and at the request of Statkraft shall present documentation of those permits.

The Supplier shall ensure that all personnel performing the Service under the Contract, including those working for Sub-Suppliers have rates of wages and working conditions which are not lower than those established for the trade or industry or for a living wage where the Service is carried out. On request, this shall be documented by the Supplier.

The Supplier shall not assign any parts of the Service to Sub-Suppliers without the prior and written consent of Statkraft. Such consent shall not release the Supplier from any obligations under the terms of the Contract.

Statkraft shall not be considered to be the employer of the Supplier's personnel even when such personnel perform the Service or parts thereof in co-operation with Statkraft.

The Contract has a strictly mercantile nature and therefore any employment relationship is excluded therefrom.

Key personnel in the employ of the Supplier appointed to work under the terms of Contract, such as the Supplier's representative for the provision of the Service shall be previously approved by Statkraft and shall not be removed or replaced without the approval of Statkraft. Such approval may not be unreasonably withheld. The training of new personnel shall be at the expense of the Supplier.

In order to avoid conflict of interest the Supplier shall ensure that key personnel do not have interest in entrepreneur and/or developing companies which are competitive to Statkraft or companies where Statkraft have ownership.

The Supplier shall ensure that personnel who behave in a reprehensible manner or who are not suitable to perform the Service are replaced at the Supplier's expense.

The Supplier is responsible for all documents, descriptions and instructions in the event of these being damaged or destroyed as a result of accident whilst in the possession of the Supplier and off Statkraft's premises.

The Supplier represents it is duly qualified, competent and experienced in the provision of the Service and that it is fully equipped and staffed to provide the Service.

## 2. Quality assurance

The Supplier shall have a satisfactory quality assurance system adapted to the Service. The Supplier shall document this system at the request of Statkraft. The Supplier is responsible for ensuring that the quality of the Service is in accordance with any reasonable requirements for such a Service. The Supplier may be requested to prepare a quality assurance plan to ensure the quality of the Service.

Statkraft's representative to whom the Supplier reports is responsible for facilitating the Supplier's access to any of Statkraft's quality assurance documents that may be relevant, as the case may be. In this case, the Supplier has an obligation to familiarize itself with the relevant quality assurance documents before the commencement of the Service, and to comply with such documents during the performance of the Service.

## 3. Rights to ownership of results

Statkraft acquires exclusive ownership to the results of the Service as and when it is performed. All reports, drawings, specifications and similar documents, including computer software, which are prepared in connection with the Service are considered to be part of the results of the Service.

Statkraft's right of ownership does not apply to documents and software which according to Dutch law are normally subject to protection, and which remain the property of the Supplier. However, if such documents and software are necessary for operations, inspection, maintenance and so on, they shall be made available to Statkraft, which will have unrestricted right of use. In such case, the documents shall not be used for other purposes without the consent of the Supplier. Such consent shall not be unreasonably withheld.

The Supplier shall not take on assignments for other clients without the written consent of Statkraft if those assignments make direct use of the results of assignments carried out for Statkraft, but the Supplier may use any skills acquired to develop its own business operations.

## 4. Changes

Within the bounds of what the Parties could reasonably expect at the time of entry into the Contract, Statkraft may demand changes in the quality or scope of the Service as well as changes in the work schedule.

Should Statkraft demand changes, the Supplier shall, without undue delay, advise Statkraft with regard to any effect those changes might have on the price and work schedule.

If the Supplier should discover a need for changes, Statkraft shall be notified as soon as such need becomes evident to the Supplier.

Compensation for changes shall be in accordance with the Contract's original price schedule. If the changes lead to savings for the Supplier, Statkraft shall be credited accordingly.

Changes shall be approved by Statkraft in the form of a written change order.

## 5. Postponement

Upon written notification Statkraft may postpone all or parts of the Service. Following such notification, the Supplier shall without undue delay notify Statkraft with regard to what effect the postponement may have on the implementation of the Contract. The Supplier shall resume the Service immediately upon notification by Statkraft.

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If the delay exceeds the notified postponement by more than thirty (30) days, the Supplier is entitled to terminate the Contract upon written notification to Statkraft.

During the period of postponement, Statkraft shall provide compensation for documented, necessary expenses in connection with the demobilising and mobilising of personnel.

## **6. Cancellation**

Upon written notification to the Supplier, Statkraft may cancel the Service in whole or in part with immediate effect.

Following such cancellation, Statkraft shall pay to the Supplier any amount which is owed for that part of the Service which has been completed, and also cover any documented, necessary expenses which the Supplier may incur as a direct result of the cancellation.

## **7. Price, invoicing and payment**

### **7.1 Price**

The agreed prices shall be deemed to cover all the Supplier's costs in connection with the Service. The prices are fixed for the duration of the agreement, and may only be changed in the event of:

- changed regulations resulting in the imposition or discontinuation of government taxes or duties or
- the duration of the Service exceeding two (2) years, in which case agreements regarding payment by the hour may be renegotiated.

Work performed outside normal working hours shall not affect the hourly rates.

Office supplies and any necessary computer equipment shall be provided by Statkraft if the Service is performed on Statkraft's premises.

Travel expenses and subsistence allowances may not be invoiced by Supplier unless otherwise agreed.

### **7.2 Invoicing and payment**

Unless otherwise agreed, payment shall be made within thirty (30) days of receipt of a correctly issued invoice.

All invoices shall bear the Contract Number and other references which may have been agreed upon, and shall clearly specify what the invoiced amount refers to. Statkraft reserves the right to return any invoices which do not satisfy these requirements.

Invoicing shall take place according to the agreed schedule: i.e. periodically or after delivery of the Service.

In the case of agreements based on hourly payment, by Statkraft approved time sheets shall accompany the invoice.

The final invoice shall include all the Supplier's outstanding claims under the Contract. Claims not included in the final invoice may not be submitted later than six (6) months after completion of the Service.

## **8. Breach of contract, termination**

### **8.1 Delay**

The Supplier is responsible for any delays which cannot be ascribed to Statkraft.

If Statkraft's objectives in connection with the Service are significantly jeopardised as a result of shortcomings in the Supplier's performance of the Service, this shall be considered a delay.

### **8.2 The effects of delay**

In the event of delay, unless otherwise agreed, liquidated damages shall accrue at a rate of 0.3% of the total Contract Price for each calendar day of delay on the part of the Supplier. However, the accumulated liquidated damages shall not exceed 15% of the Contract Price.

If the delay is caused by gross negligence or wilful misconduct on the part of the Supplier or a party for whom the Supplier is responsible, Statkraft is entitled to compensation for losses suffered as a result of the delay, instead of liquidated damages.

Statkraft is entitled to terminate the Contract if the maximum liquidated damages have accrued, or if the delay leads to a material breach of contract.

### **8.3 Defects**

A defect occurs when the Service at completion is not in accordance with the Contract.

In the event of a defect in the performance of the Service, the Supplier is responsible for that defect in accordance with Section 8.4.

Statkraft shall not be responsible for the accuracy, sufficiency or completeness of the documentation provided. Therefore, the Supplier shall not be entitled to make any claim against Statkraft with regard to any documentation of the Service.

Statkraft's approval of proposals or planning material does not release the Supplier from liability in connection with the performance of the Service in accordance with the Contract, unless the Supplier has clearly drawn attention to the special elements of risk which exist.

Statkraft shall make a written claim in reasonable time after discovery of the defect, but not later than five (5) years after Statkraft has accepted the completion of the Service, unless otherwise agreed or unless a different period is established by law for specific cases. In the case of repair work, a similar deadline for submission of claims shall run from the date on which the repair work is completed. The deadlines for claims do not apply whilst repairs or other activities are in progress which are necessary for the correct fulfilment of the Contract.

### **8.4 The consequences of defects**

If Statkraft makes a claim, the Supplier shall repair the defect without delay, but Statkraft may postpone the repair work if there is valid reason to do so. The repair work shall be performed without expense for Statkraft.

If the Supplier does not carry out the necessary repair of the defect within a reasonable period, and in any case within no more than thirty (30) days unless otherwise agreed, Statkraft is entitled to do so itself or by use of other parties at the expense and risk

of the Supplier. The same applies if waiting for the Supplier's repair would result in significant inconvenience for Statkraft. In such cases, the Supplier shall be notified before the repair work is commenced.

If the Supplier does not repair the defect within a reasonable period, Statkraft is entitled to a reduction in price.

Statkraft is entitled to compensation for any loss it may suffer as a result of defects. The Supplier's liability is limited to the Contract price, unless otherwise agreed. The limitation of liability shall not apply if the defect is caused by gross negligence or wilful misconduct on the part of the Supplier or a party for whom the Supplier is responsible.

Statkraft is entitled to cancel the Contract if a defect results in a material breach of contract. In such cases, Statkraft reserves the right to reject any offer by the Supplier to repair the defect.

The Supplier shall be responsible and hold harmless Statkraft in the event of the performance of the Service involving infringement of a third party's patent rights or other intellectual property rights.

## **9. Force Majeure**

Force Majeure means an event beyond the control of a Party, which that Party could not be expected to foresee when the Contract was entered into, and the consequences of which that Party could not reasonably be expected to prevent.

If it can be demonstrated that the execution of the Contract has been prevented by Force Majeure, this shall not be deemed to be a breach of contract. Each of the Parties shall cover its own costs resulting in the event of Force Majeure.

A Party wishing to invoke Force Majeure shall without delay notify the other Party of the nature, cause and anticipated duration of the Force Majeure situation.

Each of the Parties has the right to terminate the Contract if the Force Majeure situation lasts more than sixty (60) days.

Notwithstanding the above, the parties acknowledge that the COVID-19 context and situation has become part of a "new normality" with a particular fluctuant legal frame and therefore the parties shall not consider any further affection derived from COVID-19 a Force Majeure Event, except for those cases where the affection is derived from an unpredictable outbreak that directly affects members of the staff.

## **10. Insurance**

The Supplier has an obligation to take out and maintain insurance against any damage and liability which may arise under the terms of the Contract.

The Supplier shall also have adequate accident insurance as well as personnel insurance for its employees, as required by law. At the request of Statkraft, the Supplier shall provide documentation of such insurance and the scope of its cover.

## **11. Business Ethics and Anti-Corruption**

### **11.1 Business Ethics and Anti-corruption Requirements**

1.1 The Supplier shall, when acting in connection with this Contract, always act in compliance with, and not engage in any activity, practice or conduct in breach of, any applicable state, national, and international laws, rules and regulations and other applicable rules relating to ethical and responsible standards of behavior, including but not limited to those dealing with human rights, environmental protection, corruption, fraud, money-laundering, applicable sanction regimes and other economic crimes, such as:

- i. any applicable international, regional, national or local anti-corruption laws and regulations, including but not limited to, the Norwegian Penal Code, and the UK Bribery Act;
- ii. any applicable international, regional, national or local environmental and natural resources laws and regulations, and international standards such as the IFC Performance Standards on Environmental and Social Sustainability;
- iii. any applicable international, regional, national or local health and safety laws and regulations;
- iv. any applicable international, regional, national or local human rights and supply chain laws and regulations, including but not limited to the Norwegian Transparency Act, UK Modern Slavery Act, International Labour Organisation's (ILO) Fundamental Conventions and [EU Conflict Minerals Regulations], and international standards like those referred to in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct;
- v. any applicable regulations related to economic sanctions and export control, and in particular not engage in business with entities: (a) owned or controlled by persons that are the target of any sanctions administered or enforced by the US Department of Treasury's Office of Foreign Assets Control, the United Nations Security Council, the European Union, His Majesty's Treasury or the Norwegian Ministry of Foreign Affairs, or (b) located, organized or resident in a country or territory that is, or whose government is, the subject of sanctions by a relevant sanctions
- vi. Statkraft Supplier Code of Conduct which can be found on the following website: [Statkraft Supplier Code of Conduct](#); and standards that are consistent with Statkraft requirement for Business Ethics, anti-corruption and other economic crime which can be found on the following website [Statkraft Business Ethics, anti-corruption and other economic crime](#) when acting on behalf of Statkraft.

The Supplier shall ensure that its Affiliates, employees and permitted agents or other representatives, who perform services on behalf of the Supplier in connection with this Contract (the "**Representatives**") and sub-contractors (the "**Sub-Contractors**") comply with all the above-mentioned requirements.

The Supplier warrants that except as otherwise disclosed in writing to Statkraft prior to entering into this Contract, and to the best of its knowledge, neither it nor its key employees, managers or directors, Representatives or Affiliates have in the last three (3) years been i) subject to any sanctions regimes as enlisted in Clause 1.1. directly or indirectly, ii) convicted of any criminal offense involving corruption, money laundering or other economic crime or modern slavery, or iii) been or are subject to any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offense or alleged offense involving

any such matter and no such investigation, inquiry or enforcement proceedings have been notified, threatened or are pending and there are no circumstances likely to give rise to any such investigation, inquiry or proceedings.

The Supplier further represents and warrants that it has in connection with the bidding for, negotiation of and preparation for this Contract not engaged in any activity, practice or conduct that would be in breach of the abovementioned laws, regulations and policies.

The Supplier shall commit to ensuring compliance with the requirements of this Clause 11.1, including implementing, monitoring and enforcing adequate internal controls and procedures to prevent any violations of the abovementioned laws.

#### 11.2 Record- keeping, Reporting and Audits

The Supplier shall maintain detailed and up-to-date books, accounts and records in compliance with internationally recognized accounting standards and the terms and conditions of this Contract, including also invoices issued, minutes of meetings, emails, inquiries or correspondence sent in connection with the Contract, which accurately and fairly identify payments made, transactions undertaken, work performed, matters dealt with and time and expense spent in connection with this Contract. The Supplier shall maintain such documentation for (2) years after the Contract expires or is terminated, or for a longer period in accordance with applicable law at its normal place of business.

If the Supplier has become aware of a possible breach of the requirements of Clause 11.1, the Supplier shall promptly report this to Statkraft in writing.

If the Supplier has reported a possible breach to Statkraft or if Statkraft reasonably suspects that a breach of the requirements of Clause 11.1 may have occurred, then:

- (i) Statkraft may engage an independent and qualified third party representative to audit the possible breach. A potential audit shall adhere to the principles of good audit practices, including the principle of proportionality, contradiction and information access. The choice of representative remains solely with Statkraft.
- (ii) the Supplier shall give Statkraft or its third party representative on reasonable notice and during normal business hours, full and unrestricted access to any premises and persons which are relevant for the purpose of investigating such possible breach and shall provide relevant information and give other necessary assistance to the conduct of such investigation. Statkraft shall take into consideration any reasonable request from the Supplier in respect of the timing and other practicalities of the audit;
- (iii) the Supplier shall, within reasonable time after being requested, and subject to any applicable data privacy law, provide any third party representative appointed by Statkraft access to and copies of the Supplier's books, accounts and records, invoices issued, minutes of meetings, emails, inquiries or correspondence sent in connection with the Contract and any other relevant information related to the suspected breach. Such access shall be subject to such third party representative undertaking to keep confidential any proprietary or other confidential information received from the Supplier, except that the representative may disclose to Statkraft the results of its audit into the suspected breach and all information and underlying documentation supporting or related to such breach. Such audit rights shall continue for two (2) years after termination of this Contract;
- (iv) Statkraft may require a suspension of the performance by the Supplier and Statkraft of this Contract, during a reasonable period of investigations and audit, without any right of the Supplier to demand extension of time for completion of its performance of the Contract or additional costs from Statkraft. During the period of investigations and audit, Statkraft may require to withhold amounts of due payments which could be related to the possible breach; and
- (v) Statkraft may require the Supplier to implement reasonable corrective actions identified by Statkraft or its third party representative, including, but not limited to establishing new procedures, terminate contracts and payments or removing persons who have acted in breach of the requirements of Clause 11.1.

Under the contract period, Statkraft may at any time and in consultation with the Supplier, review the effectiveness of the Suppliers internal controls and procedures in place to prevent, detect and respond to any violations of the requirements outlined in Clause 11.1.

#### 11.3 Termination and indemnity

In the event of any breach by the Supplier of the provisions of Clause 11.1 or 11.2, or if the Supplier or any of its Affiliates, Representatives or Sub-Suppliers becomes a target of, or becomes owned/controlled by a target/targets of, any applicable regulations related to economic sanctions and export control, as referred to in Clause 11.1 or 11.2 above, then:

- (i) if the breach is of a nature that cannot be remedied or if the breach can be remedied but the Supplier has not remedied the breach within a reasonable time period stipulated by Statkraft, Statkraft may terminate this Contract with immediate effect; and

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- (ii) the Supplier shall indemnify Statkraft against any losses, liabilities, damages, costs and expenses (including legal fees) incurred or suffered by Statkraft as a consequence of such breach.

#### 11.4 Representatives and Sub-Contractors

Prior to entering into any sub-contracts, the Supplier shall conduct an appropriate integrity due diligence to ensure that the potential Sub-Suppliers are duly qualified to perform the tasks for which they may be engaged, that they are of good reputation, and that they to the best of its evaluation would present no corruption-related or other compliance risk or liability to the Supplier or Statkraft;

All sub-contracts entered into by the Supplier shall require the Sub-Contractors to:

- (i) ensure undertakings and warranties that are in all substantial respects at least as strict as the undertakings and warranties set forth in Clause 11.1;
- (ii) ensure a right of access for Statkraft's third-party representatives to the premises, persons, books, accounts, records and other information of the [Material Sub-Contractors]<sup>1</sup> in line with the principles of Clause 1.2 above; and
- (iii) ensure an undertaking of the Material Sub-Contractors to implement reasonable corrective actions identified by Statkraft or its third party representatives in line with the principles of Clause 11.2 above.

Subcontracting shall not relieve the Supplier of its responsibilities under Clause 11.1 and 11.2. The Supplier shall be responsible for the acts, defaults and neglects of its Sub-Suppliers as if they were the acts, defaults and neglects of the Supplier.

#### **12. Confidentiality and User Obligations**

The Supplier has an obligation to prevent third parties from gaining access to or knowledge of any information it may acquire in connection with the performance of the Service regarding:

- the personal affairs of individuals, and/or
- technical equipment or procedures and operational or commercial conditions which should be kept secret out of consideration for the competitive interests of the owner of the information.

The confidentiality obligations continue to apply after the Supplier has completed the Service. Moreover, the Supplier must not make use of information as specified in this Section in connection with its own business activities or services provided to third parties. Statkraft is entitled to require the Supplier to sign a special declaration of secrecy.

The Supplier has an obligation to have knowledge about Statkraft's security policy and his responsibility regarding security. Statkraft is entitled to require the Supplier to sign a special declaration for availability to ICT (Information and Communication Technology) resources (User Obligations).

#### **13. Assignment**

Statkraft may at any moment assign this Contract to any third party without prior consent of the Supplier.

#### **14. Choice of Law and Legal Venue**

Dutch law shall govern the Parties' rights and obligations in their entirety according to this Contract.

Disputes between the Parties regarding the interpretation or legal effect of this Contract shall primarily be resolved by negotiation by amicable discussions within thirty (30) days.

If negotiation does not lead to settlement, and the Parties do not agree on an alternative course of action, any dispute arising out of or in connection with this Contract (including any dispute as to the validity of this Contract, any questions in respect of the authority of the arbitrators and any dispute about whether a particular dispute should be referred to arbitration) will be finally settled by arbitration in accordance with the rules of the Netherlands Arbitration Institute (*Nederlands Arbitrage Instituut*).