

Purchasing terms and conditions for Felleskjøpet Agri SA – Purchase of Goods

Introduction

The purchasing terms and conditions for Felleskjøpet Agri AS are standard purchasing terms and conditions applicable to all types of procurement of services in Felleskjøpet Agri ("Purchasing Terms") to which the supplier must comply as part of the individual purchase agreement ("Agreement"). Invoice instructions for Felleskjøpet Agri and other documentation listed in clause 27 apply as part of the Purchasing Terms.

This document, information and other documentation referred to herein are published at www.felleskjopet.no under the menu item *For suppliers*.

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1. ETHICAL TRADE

FKA is a member of the Ethical Trading Initiative Norway (IEH) and is committed to fulfilling the membership obligations described in IEH's Declaration of Principle. This entails conducting socially responsible business activities that safeguard human and labour rights, sustainable development and environmental stewardship throughout the entire value chain.

Suppliers to FKA shall thus comply with the described guidelines and (as applicable) communicate and monitor compliance with these requirements among their subcontractors. See www.etiskhandel.no for more information.

Suppliers must be able to document that they work actively to avoid violations of basic human and labour rights in the production and manufacturing process of the goods that are supplied to FKA. The Supplier shall also follow and document procedures and guidelines based on core UN and ILO conventions on children's rights.

2. ENVIRONMENT

Felleskjøpet takes producer responsibility for its own packaging through our customer relationship with Norsirk. Any suppliers to FKA are required to be affiliated to an approved scheme for the recovery and recycling of packaging waste, and a return scheme for EU waste. "Approved scheme" refers to an arrangement whereby recovered and recycled packaging waste is registered by the Norwegian Environment Agency www.miljodirektoratet.no and handled in accordance with the Regulation on the recovery and processing of waste (the Waste Regulation). In cases where FKA itself is the importer, FKA assumes the obligations set out in this clause. **Feil! Fant ikke referanseilden..**

3. SUSTAINABILITY

Sustainable procurement requires a strong focus on the environment, long-term economic growth and social development. Suppliers to FKA must undertake to ensure sustainable deliveries through systematic work throughout the entire value chain. All measures and plans for execution, verification and reporting must be documented. National and international environmental legislation must always be complied with.

4. QUALITY ASSURANCE AND SUPPLIER AUDIT

The Supplier must have a quality assurance system in accordance with the ISO 9001:2008 standard or equivalent, the Supplier is obliged to allow FKA's representative and auditor to conduct audits of the Supplier's systems and procedures, including HSE procedures. This right applies to all processes and documents that are relevant to the current purchase Agreement. This pertains in particular to matters related to ethical trade, environmental protection and sustainable deliveries.

FKA must also have the right to audit the Supplier's subcontractors in terms of both their quality system and warehouse and production sites, including auditing of Ethical Trading.

5. HSE SYSTEM

The supplier shall have an HSE system in accordance with the Norwegian HSE / Internal Control Regulations. FKA may demand that the supplier at all times complies with the HSE requirements that apply in the place of delivery.

6. REQUIREMENTS CONCERNING CHEMICALS

The Supplier must fulfil and document the requirements of national/international regulations to which the product is subject, including, inter alia:

- FOR-2008-05-30-516: Regulation concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH regulation) with annex
- FOR-2012-06-16-622: Regulation concerning the Classification, Labelling and Packaging of chemical substances and mixtures (CLP) with annex
- FOR-2015-05-19-541: Regulation concerning the Declaration of Chemicals for the Product Register (the Declaration Regulation)
- FOR-2004-06-01-922: Regulation concerning the restriction of the use of health and environmentally hazardous chemicals and other products (the Product Regulation) with annex

Suppliers of chemicals and chemical products must at no extra charge to FKA make their material safety data sheets

(SDS) available via EcoOnline's online solutions, in one of the following ways (ranked in order of priority):

- a Compiled and published on EcoOnline Center using the ECO Publisher program.
- b Published on EcoOnline using ECO AnyLink. Safety data sheets developed using solutions other than ECO Publisher can in this way be made readily available. If preferred, suppliers can outsource this work to EcoOnline AS by contacting www.ecoonline.no or tel. (+47) 33 01 68 00.
- c For products classified as “*Dangerous Goods*”, “Written instructions to the Supplier” must also be published.
- d In cases where FKA itself is the importer, FKA assumes the obligations set out in this clause. 5.

7. DOCUMENTATION REQUIREMENTS

FKA may at any time ask the Supplier to document compliance with the obligations in the Purchasing Terms and Conditions, including via an independent party appointed by FKA.

8. USE OF SUBCONTRACTORS

The Supplier may not assign any work related to the delivery to any subcontractors without FKA's written consent. Such consent will not exempt the Supplier from any duties under this Agreement.

If a supplier uses subcontractors to meet the agreed conditions, the supplier is fully responsible for the execution of the delivery from the subcontractors as if he was doing it himself.

9. INSURANCE

The Supplier must keep the products to be delivered under the Agreement covered by insurance until the risk passes to the Buyer.

10. TRANSFER OF RIGHTS AND OBLIGATIONS

Transfer of the Contract – or parts of the contract – may only take place with the written consent of FKA. If the Supplier merges or demerges, FKA will be entitled to terminate the Agreement immediately.

11. STATUTORY REQUIREMENTS

The Supplier is responsible at all times for ensuring that the deliveries meet all the applicable statutory requirements.

12. PACKAGING AND LABELLING

The Supplier is responsible for ensuring that all shipments are properly packaged in relation to the specific form of transport and shall bear the costs thereof. Disposable pallets and all other packaging shall be included in the item price.

- a Euro-pallets will not be exchanged without special agreement.
- b Pallets and other wood packaging that are imported shall be heat treated in accordance with the International Standard for Phytosanitary Measures ISPM no. 15.
- c Exterior packaging must carry the Supplier's name, FKA's order number/purchase order number, and delivery location.

13. INFORMATION AND CONFIDENTIALITY

Information that the parties become aware of in connection with the Terms and Conditions of Purchase and the Agreement must be treated confidentially, and shall not be made available to outsiders without the consent of the other party.

The duty of confidentiality does not prevent the information from being used when no legitimate interest dictates that it be kept secret, for example when it is generally known or generally available elsewhere.

The duty of confidentiality applies to the parties' employees, subcontractors and third parties who act on the parties' behalf in connection with the implementation of the Agreement. The parties may only transfer confidential information to such subcontractors and third parties to the extent that this is necessary for the implementation of the Agreement, provided that they are subject to a duty of confidentiality corresponding to this clause. 13.

Employees or others who resign from their employment with one of the parties must also be subject to the duty of confidentiality after resignation under the conditions stated above. The duty of confidentiality ceases five years after the termination of the Agreement, unless otherwise stipulated by law or regulations.

For contracts where it is relevant to demand a specific confidentiality and impartiality declaration from suppliers, this must be signed and attached to the Agreement.

14. DOCUMENTATION

- a** All certificates and other agreed product documentation are part of the delivery and must be supplied with the goods. Without such documentation, the delivery will not be considered as received, and will therefore not be paid for.
- b** For goods / products originating in the EU / EFTA, the goods certificate shall be attached to the consignment note along with a copy of the invoice.
- c** Each product must be accompanied by user instructions in Norwegian or another Scandinavian language.
- d** All labelling and instructions must always comply with the requirements stipulated in Norwegian laws and regulations.
- e** The Supplier shall at no extra cost provide the necessary service and repair manuals, such as the description of the start-up or preparation process, repair manuals, workshop instruction manuals and catalogues of spare parts. These materials ought preferably to be in Norwegian or another Scandinavian language.

15. PAY AND WORKING CONDITIONS

As an employer, the Supplier is responsible for ensuring compliance with the requirements stipulated in the Working Environment Act (Act no. 63 of 17 June 2005) for his own and any subcontractor's employees.

16. FORMAL REQUIREMENTS REGARDING PRICE AND PRODUCT DATA

In cases where FKA has formal system-related requirements in the form of electronic information and compatibility, the Supplier will be obliged to comply with these. Separate appendices containing relevant requirements have been prepared by each business area.

17. INTELLECTUAL PROPERTY RIGHTS

The Agreement or the Terms and Conditions of Purchase do not entail any transfer of intellectual property rights unless otherwise stipulated in the Agreement.

18. INVOICING

- a** Much of FKA's processing of incoming invoices is done automatically, and we therefore demand that invoices are sent to us in EDI or EHF format. In exceptional cases it may be agreed that invoices can be sent as PDF documents to the following email address: levfak@felleskjøpet.no.
- b** Invoicing and handling fees are not accepted.
- c** Use of or assignment to factoring companies is not accepted without specific agreement.
- d** Further information about invoicing procedure is described in the document Invoicing instructions for Felleskjøpet Agri SA.

19. PAYMENT TERMS

Standard payment terms are net 60 days from the invoice date, unless otherwise stipulated in the Agreement.

FKA may make deductions from the invoice received for prepayments, accrued fines, disputed or insufficiently documented amounts, or amounts owed to FKA by the Supplier.

In the event of delayed payment, the Supplier may charge late payment interest in accordance with the Norwegian Late Payment Interest Act (Act no. 100 of 17 December 1976).

20. DELIVERY TERMS

Standard delivery terms are FCA specified point of delivery in accordance with Incoterms 2020, unless otherwise specified in the Agreement.

21. DELAYED DELIVERY

The supplier shall notify FKA in writing without undue delay if he understands or has reason to believe that a delivery may be delayed. The expected duration and the reason for the delay must be stated.

22. DAILY PENALTIES

In accordance with standard sanctions in the event of late delivery not due to Force Majeure, the supplier shall pay a daily penalty for each calendar day of the delay. Unless otherwise specified in the Agreement or for the individual delivery, the daily penalty will be of 1% of the total value of the delivery items excl. VAT, limited to 10% of the total value of the delivery.

Delays lasting longer than 10 calendar days are considered breach of contract and entitle FKA to cancel the purchase.

23. REQUIREMENTS FOR THE DELIVERY

The Supplier shall comply with all requirements stipulated in the Terms and Conditions of Purchase and the Agreement, including, inter alia, requirements for nature, quantity, quality, characteristics and packaging. Any material breach of the Terms and Conditions of Purchase is considered material breach of the Agreement.

24. FORCE MAJEURE

Force majeure denotes an event outside a Party's control that could not have been foreseen when the Agreement or orders/calls under the Agreement were established, and which could not reasonably have been expected to have been overcome, or of which the effects could not reasonably have been averted.

No breach of contract will have occurred if it can be shown that compliance with the Agreement was prevented due to force majeure. Each of the Parties must cover its costs related to force majeure.

The Party wishing to invoke force majeure must notify the other Party as soon as possible of the force majeure situation, its cause and expected duration.

Each of the Parties is entitled to terminate the Agreement and/or orders/calls under the Agreement if the force majeure situation persists, or it is clear that it will persist for more than 60 days.

The parties bear the risk of price increases and unforeseen costs that affect their own contractual obligations. The fact that the costs are higher than expected does not mean that it is impossible for a party to deliver. This applies even if the cause must be said to be extraordinary and thus difficult to predict. In these cases, the parties are not entitled to refer to force majeure, and are thus obliged to deliver in accordance with the Agreement.

25. GOVERNING LAW AND LEGAL VENUE

FKA's purchase agreements are governed by Norwegian law and language. Romerike and Glåmdal are the legal venues. The parties shall seek to resolve any disputes that may arise during the contract period through negotiations.

26. EXTENT OF VALIDITY

The Terms and Conditions of Purchase are the applicable purchasing conditions for FKA and the subsidiaries in the group that adopt these as a contractual condition in an agreement.

The individual Group companies may then have deviating invoicing procedures, invoice addresses and other administrative requirements applying to the individual companies.

27. APPENDIX, REFERENCE DOCUMENTS AND WEBSITES

Invoicing instructions for Felleskjøpet Agri
Policy for sustainable business practices
Ethical trading guidelines
Declaration of confidentiality and impartiality
System requirements in accordance with clause 16
Incoterms 2020
[For suppliers | Felleskjøpet.no](https://felleskjopet.no)
felleskjopet.no
www.etiskhandel.no
www.norsirk.no
www.ecoonline.no