



SHIPPING GROUP

# Supplier Code of Conduct





# Standard terms and conditions of purchase

## Article 1. Definitions

- 1.1 Customer the legal entity paying the invoice for the order.
- 1.2 Order: the order issued by Customer to Supplier for the delivery of specified goods and/or services against a specified price on the agreed date of delivery.
- 1.3 Agreement: the agreement concluded by and between Customer and Supplier as a result of Supplier accepting the Order.
- 1.4 Parties: Customer and Supplier.
- 1.5 Specification: the (technical) description of the goods and/or services that is included in the Order, either directly or indirectly.

## Article 2. Applicability

- 2.1 These Terms and Conditions are applicable to any and all legal relationships where Customer acts as a potential or actual purchaser of goods and/or services, including all follow-up orders for Customer.
- 2.2 Customer shall act as a mandatory for a mandator, such as a shipping company or a ship, if that mandator's delivery and/or billing address is stated in the Order. If Customer acts as a mandatory, Customer shall do so in the name and on behalf of the mandator, and all provisions of - and, with that, all rights and obligations under - the Agreement and these Terms and Conditions shall apply in full to the relationship between mandator and Supplier.

- 2.3 The Agreement comes about if Customer places an Order with Supplier, and Supplier accepts this Order.
- 2.4 Customer can require Supplier to complete a particular form for the Order confirmation and to return this form to Customer by a particular date.
- 2.5 In the event of any inconsistency, any agreed specific commitments shall prevail over these standard terms and conditions.
- 2.6 These Terms and Conditions are applicable to all proposals and acceptances made by Customer. Where Supplier refers to any other terms and conditions in its offer or acceptance, the applicability thereof is expressly rejected.

## Article 3. Alterations

- 3.1 Any alterations to the Agreement or any deviations from these Terms and Conditions shall not be applicable unless they have been agreed between Customer and Supplier in writing.
- 3.2 If any alteration leads to an increase in costs, any resulting change in (purchase) price shall be agreed between the parties in writing.
- 3.3 If any alteration leads to a decrease in costs, any resulting change in (purchase) price can be set off.
- 3.4 Failing agreement on a change in (purchase) price, the parties are deemed to have a dispute, which shall be subject to article 20 of these Terms and Conditions.

## Article 4. Quality and description

- 4.1 Subject to any other provisions contained in the Order or any corresponding Specification, the delivered goods must:
  - a. conform to what is stated in the Order in terms of quantity, description and quality;
  - b. have been made of sound materials and to be of sound workmanship;
  - c. be identical, in every respect, to the samples or models made available or provided by Customer and/or Supplier;
  - d. deliver such performance - in terms of capacity, yield, speed, finish, etc. - as is specified in the Order;
  - e. be strictly original (Original Equipment Manufacturer), unless expressly otherwise specified in the Order;
  - f. be fully fit for the purpose communicated to Supplier.
- 4.2 Subject to any other provisions contained in the Order or any corresponding Specification, the delivered services must:
  - a. conform to what is stated in the Order as for description, performance - in terms of capacity, yield, speed, finish, etc. - and quality;
  - b. be performed by Supplier's employees or by any third party called in by Supplier, and all of these persons must be identified to Customer in advance and must meet general standards of craftsmanship and expertise;





- c. be performed by Supplier's employees or by any third party called in by Supplier, and all of these persons must, in advance, be bound by Supplier to Supplier's obligations under this Agreement and these Terms and Conditions;
- d. be carried out in accordance with any (internal) rules adopted by Customer;
- e. in the event of absence of a Supplier-engaged employee or third party, either as a result of sickness where it is assumed that such sickness may last longer than 3 (three) working days or due to other circumstances caused by any circumstance not desired by Customer, be carried out by a replacement at Customer's request, with any such replacement being assigned only following Customer's approval and at Supplier's expense and risk;
- f. be carried out under Supplier's responsibility for fulfilling Supplier's obligations under tax and social-insurance legislation;
- g. be fully fit for the purpose communicated to Supplier.

## Article 5. Inspections and tests

- 5.1 Prior to shipment, Supplier shall carefully inspect and test, if such is normal procedure for the goods concerned, whether the goods conform to what has been agreed. If Customer so demands, Supplier shall timely advise him of the time and place of any such test in order to enable him to attend it. Furthermore, Supplier shall provide Customer, at the latter's request, with a certified copy of his inspection and test reports.
- 5.2 Customer has the right to inspect goods during

manufacture, processing and storage and also when aboard the ship. If Customer exercises this right, Supplier shall provide - or have others provide - for such facilities as Customer may reasonably demand for that purpose.

- 5.3 If, during any inspection or test under the provisions of the two preceding paragraphs, Customer establishes that the goods to be delivered do not meet the description given in the Order, or that they are likely not to do so on completion of manufacture, Customer shall immediately notify Supplier of that. Supplier shall then be required, without prejudice to the provisions of articles 10 and 12, to take any necessary measures to yet comply with the Specification stated in the Order and with the provisions of the Agreement.
- 5.4 If Supplier challenges the outcome of an inspection or test carried out by Customer, he shall be entitled to countercheck, or have others countercheck, the outcome, with costs payable by the party found to be wrong. If based on the reports of such inspections and tests, the parties cannot reach agreement, they are deemed to have a dispute, which is governed by article 20 of these Standard Terms and Conditions of Purchase.

## Article 6. Packaging and shipment

- 6.1 The goods must be properly packaged (unless the nature of the goods dictates otherwise) and secured such that, with normal transportation, they will reach their destination in good condition. Supplier shall, to Customer's satisfaction, take out adequate insurance against any risk that may reasonably be deemed to be

present during transportation.

- 6.2 The goods shall be delivered by Supplier at, or be shipped for delivery to, the agreed place or places in such manner as is specified in the Order or is agreed on afterwards.

## Article 7. Storage

- 7.1 If for whatever reason Customer is not able to take receipt of goods on the agreed time, and these goods are ready for shipment, Supplier shall, if his storage facilities allow him to do so, and if so requested by Customer, store and secure the goods and take all reasonable measures to prevent deterioration in quality until the goods are delivered to Customer.

## Article 8. Passing of title and risk

- 8.1 Subject to the provisions of paragraph 2 hereof, the title to and the risk of the goods shall pass to Customer upon delivery.
- 8.2 If at Customer's request, Supplier postpones shipment in accordance with the provisions of article 7, the title to the goods shall pass to Customer on such date as may be further agreed between them to that end, and Supplier shall be required to mark and separately store the goods as Customer's property as from that date. Nevertheless, the goods shall then remain at Supplier's risk as custodian of the goods until the goods are delivered to Customer at the place or places referred to in article 6 paragraph 2.

## Article 9. Property of Customer

- 9.1 Any and all models, sheets, films, drawings,

- photographs, stamps, other image, sound and information carriers or other tools provided by Customer to Supplier or created or purchased by Supplier for and on the instruction and at the expense of Customer shall remain or become the property of Customer.
- 9.2 Supplier shall maintain any such tools in good condition and insure them, and keep them insured, against fire and theft so long as they are under his control.
- 9.3 When so requested by Customer, Supplier shall make these tools available to Customer in good condition. However, Customer shall then be liable for any loss suffered by Supplier due to any delay.
- 9.4 If Supplier does not return the tools, or not all of them or in damaged condition, either at the time of the agreed delivery time or at the time referred to in paragraph 3, Supplier shall be required to compensate Customer for the loss suffered. Customer will be entitled to set off such compensation against any amount owing by him to Supplier.
- 9.5 Supplier is not allowed to use the tools for any purpose other than for making the goods ready for delivery to Customer, nor is he allowed to make any of these tools available to any third party.
- 9.6 Supplier is required to take measures to ensure the confidentiality of any data and information as well as any other tools referred to in paragraph 1 made available by Customer.
- 9.7 Supplier waives any statutory or contractual right of retention in respect of any goods that Supplier has in his possession in connection with an Order.

## **Article 10. Time of delivery**

- 10.1 Supplier shall deliver the goods and/or services either on such time or immediately following the end of such delivery term as is specified in the Order. If a delivery term has been agreed, this term takes effect from the date Supplier confirms the Order or - if later - from the date Customer provides Supplier with any information, drawings, models, films, materials or tools to be supplied by Customer, and needed by Supplier to start executing the Order.
- 10.2 As soon as Supplier knows or anticipates that particular goods or services cannot be delivered in time, he shall inform Customer thereof without delay. If the parties do not succeed in arranging the consequences of such delay by agreement, any resulting dispute shall be governed by the arrangement stated in article 20. Supplier shall be liable for any loss that Customer may suffer as a consequence of the delay or of late notification of the (likely) delay.
- 10.3 If all or a part of goods or services are not delivered on the agreed time, and the parties fail to reach agreement on extension of the delivery term and compensation for the loss due to the delay, Customer shall be entitled to immediately terminate the Agreement without notice of default and without recourse to the courts, subject to two weeks' notice. Such termination shall extend not only to the goods not yet delivered, but also to the goods already delivered under the same Agreement if these goods can no longer be used effectively because of the non-delivery of the remaining goods.

- 10.4 Upon termination of the Agreement. Customer shall be entitled to return to Supplier, at the latter's expense and risk, any goods that were already delivered under the same Agreement but can no longer be used effectively, and to demand Supplier to refund any payments he may have made for these goods.
- 10.5 Upon termination of the Agreement, Supplier shall be required to compensate Customer not only for any loss as referred to in paragraph 3 but also for any further loss that Customer may suffer as a result of any substitute transaction or any loss of profits, among other things.

## **Article 11. Assembly**

- 11.1 If the Order states that the goods are to be assembled by Supplier at some Customer-designated place(s), Supplier shall ensure that enough competent staff will be available at the time of delivery. Customer shall provide, or have others provide, for such facilities for these staff as have been agreed. Supplier shall, in principle, arrange for transport and overnight stays himself.
- 11.2 In any situation referred to in paragraph 1, a post-assembly test shall be conducted in the presence of Customer and Supplier, or their designee. Supplier shall be required to keep on providing competent staff until the test has yielded results that are satisfactory to both parties.
- 11.3 When so requested by Customer, Supplier shall, following the assembly, provide instructional staff to Customer for one week in order to instruct Customer's employees on how to use, maintain and repair the delivered goods.



- 11.4 The provisions of the preceding paragraph are also applicable to other goods that need not be assembled but do require instruction.
- 11.5 The provisions of the two preceding paragraphs do not apply for goods whose use, maintenance and repair are known or deemed to be known to Customer.
- 11.6 Assembly includes installation and implementation.
- 11.7 If the parties agree on an hourly rate for assembly work, Supplier must have his timesheets signed off by a Customer's designee on a daily basis.

## Article 12. Testing and rejection

- 12.1 If and to the extent that adequate tests have not already been conducted during or after manufacture under article 5 or after assembly under article 11, Customer shall be required to test, or have others test, any goods which, by their technical nature, render testing advisable or necessary, and to do so within a reasonable term following delivery.
- 12.2 If any defect or threatening defect is identified during a test, Supplier is required to repair or prevent it as soon as possible. Customer shall then be entitled to postpone his payments to Supplier.
- 12.3 If repair of defects is not possible or, given the time to be spent or expenses to be made, would not be sensible, Customer shall be entitled to reject the goods.
- 12.4 The provisions of the preceding paragraphs apply by analogy to goods that need not be tested but, upon delivery, turn out not to be in accordance, either in full or in part, with the provisions and Specification of the Order.

- 12.5 Customer shall inform Supplier of any rejection immediately. Subsequently, if the parties cannot reach agreement on delivery of replacement goods, Customer shall be entitled to immediately terminate the Agreement without notice of default and without recourse to the courts, subject to two weeks' notice. The provisions of article 10 paragraphs 3, 4 and 5 apply to such termination by analogy.
- 12.6 Customer shall upon termination be required to return any already delivered goods, at Supplier's expense and risk, to the place designated by Supplier as soon as possible. By returning any already delivered goods, the title to them shall pass to Supplier again.
- 12.7 Supplier shall upon termination be required to refund to Customer any already paid amounts of the purchase price immediately, but within one week at the latest.

## Article 13. Warranty

- 13.1 Supplier shall be liable for any damage caused to or by the goods that occurs during the warranty period, unless such damage results from a design fault on the part of Customer or from a fault made by Customer in the use or operation of the goods. The standard warranty period is one year, unless the Order states otherwise.
- 13.2 In order to fulfil his liability obligations, Supplier is required to either repair or replace the goods or their defective parts at no charge within a reasonable period of time. Customer shall remain liable for any further damage.
- 13.3 Supplier warrants that the goods and/or services will be

delivered in conformity with the provisions of article 4.

- 13.4 Supplier warrants that the delivered services will be performed by trained, qualified, certified and authorised staff.

## Article 14. Damage or loss in or due to transportation

- 14.1 Supplier shall either repair or replace, at no charge, any goods that are damaged or lost in transit, provided Customer notifies Supplier thereof in writing within such term that Supplier is enabled to comply with the carrier's conditions of carriage concerned or, if Supplier makes deliveries with vehicles of his own, within a reasonable period of time.

## Article 15. Price and payment

- 15.1 Unless otherwise agreed, the price includes all costs relating to the fulfilment of Supplier's obligations, including but not limited to the price for the goods and/or services, the cost of packaging, the transport and the cost of delivery to the place designated by Customer, the cost, if any, of assembly and instruction, any travel and subsistence expenses, any office and secretariat costs and, furthermore, all cost of needed equipment and materials.
- 15.2 The price is in principle denominated in euros, is in principle exclusive of Dutch VAT ("BTW") and is fixed, unless the Agreement states otherwise and/or makes mention of any circumstances that may lead to price adjustments as well as the manner in which any such adjustment will be made, all with due observance of the provisions of article 3.

- 15.3 Customer shall be entitled to deduct from the purchase price payable by him the difference between the additional amounts payable by Customer under the provisions of article 3 and article 7 on the one hand and the amounts payable by Supplier under the provisions of articles 9, 10, 12, 13 and 14 on the other.
- 15.4 Customer shall be entitled to postpone payment if the Agreement is not or has not been executed in accordance with the Specification and/or with article 4.
- 15.5 By making payment, Customer does in no way waive any of his rights or claims.

## **Article 16. Statutory requirements**

- 16.1 Supplier warrants that the design, composition and quality of the goods and the quality of the services to be delivered under the Order meet, in every respect, all applicable requirements that are set in any laws and/or any other relevant regulations issued by the government, and that ensue from the standards prevailing within the sector and being in force at the time of the conclusion of the Agreement.
- 16.2 When Supplier delivers (services relating to) certified goods, he shall hand the corresponding certificates to Customer.
- 16.3 The provisions of paragraph 1 also apply to normal use of the goods.

## **Article 17. Infringements of intellectual property rights**

- 17.1 Supplier shall indemnify Customer against third-party claims on account of infringements, as alleged by third parties, of their patents, models or other industrial or

intellectual property rights relating to the manufacture, repair or use of the delivered goods. The aforementioned claims also include any claims to payment of costs of proceedings or of legal assistance.

- 17.2 If Supplier holds any industrial or intellectual property right in the design of the delivered goods, Customer shall not be deemed to make any infringement thereof if he makes, or causes to make, any repair.
- 17.3 If Customer holds any industrial or intellectual property right in the design of the delivered goods, the provisions of article 9 paragraph 5 shall apply by analogy.

## **Article 18. Termination of Agreement**

- 18.1 Without prejudice to the provisions of articles 10, 12, 13, 14 and 16, the Agreement shall be terminated in writing when Supplier is adjudicated bankrupt or applies for a provisional moratorium, or when a request from Supplier, being a natural person, is granted by the court to the effect that the debt rescheduling arrangement is declared applicable, or when Supplier loses the power to dispose of all or a part of his assets as a consequence of a seizure or guardianship order or otherwise.
- 18.2 Upon termination, any existing claims against one another shall become immediately due and payable. Article 10 shall apply by analogy.

## **Article 19. Liability**

- 19.1 Supplier shall fully indemnify Customer against any material damage or personal injury that may arise for Customer, his employees or his customers from or as

a result of any acts, insofar as these are to be considered a non-performance or wrongful act, in any way whatsoever, on the part of Supplier, his employees or other persons engaged by Supplier for the execution of the Order. This includes any damage that may arise from the presence, use or delivery or removal of properties of Supplier, his employees or other persons engaged by Supplier for the execution of the Order.

- 19.2 Supplier shall fully indemnify Customer against any third-party claims to damages as referred to in the first paragraph hereof. If a third party brings an action against Customer in respect of this, Customer shall inform Supplier thereof without delay, sending along any needed details. For the rest, Customer shall refrain from any act in respect of this, unless Supplier gives him permission to do so or Supplier fails to put up a defence against the third-party claim.
- 19.3 Supplier must have taken out and maintain adequate third-party and professional liability insurance throughout the term of the Agreement.

## **Article 20. Applicable law and competent court**

- 20.1 This Agreement is governed by Dutch law.
- 20.2 The Vienna Sales Convention (United Nations Convention on Contracts for the International Sale of Goods, Vienna, 11 April 1980, Treaty Series 1981, 184 and 1986, 61), is not applicable to this Agreement.
- 20.3 Any dispute that may arise between the parties in connection with this Agreement or with any further agreement resulting therefrom or on account of any other existing or future legal relationship, including but not



limited to disputes over any wrongful act, undue payment or unjust enrichment, shall be referred to the competent court in Groningen, the Netherlands, except where imperative rules of jurisdiction would prevent to do so.

20.4 A dispute is considered to be in existence when either of the parties states so.

## Article 21. Miscellaneous

- 21.1 Should any of the articles in these Terms and Conditions or in the Agreement be invalid or not be binding in any other way, this shall not affect the validity of the remaining articles.
- 21.2 Supplier is not allowed to make the relationship with Customer public, for instance through advertisements or other advertising methods, without the prior written permission of Customer.
- 21.3 Supplier is not allowed to assign the Agreement or any rights or obligations under the Agreement, either in full or in part, to any third party without the prior written permission of Customer.
- 21.4 Customer shall at all times be allowed to assign the Agreement or any rights or obligations under the Agreement, either in full or in part, to any third party.

- 21.5 Any obligations which, by their very nature, are intended to continue in force following the end of the Agreement, including obligations relating to confidentiality, liability, intellectual or industrial property and assignment of rights or obligations, shall survive the end of this Agreement.
- 21.6 The Dutch text of the Terms and Conditions prevails over any translation thereof.

## Article 22. Asbestos

- 22.1 All parties shall comply to SOLAS CHII, Regulation 3-5, without any exceptions.

## Article 23. Human Rights Commitment

### 23.1 Commitment to Human Rights Standards

- a. Supplier's Commitment: The Supplier affirms its commitment to conducting business operations in alignment with the highest standards of ethics, integrity, and respect for human rights.
- b. International Standards: The Supplier acknowledges and commits to upholding internationally recognized human rights standards, as outlined in the International Bill of Rights, the International Labour Organization's Declaration on the Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights (UNGPs).

### 23.2 Equality and Non-Discrimination

- a. Equal Opportunities: The Supplier is dedicated to providing equal opportunities for all employees, regardless of race, gender, ethnicity, religion, or any other characteristic.

- b. Diversity and Inclusion: The Supplier actively embraces diversity and promotes an inclusive work environment.

### 23.3 Labor Rights

- a. Fair Wages: The Supplier ensures fair and competitive wages for all employees.
- b. Working Hours: The Supplier respects reasonable working hours and promotes a healthy work-life balance.
- c. Child Labor and Forced Labor: The Supplier strictly prohibits child labor and forced labor in all operations.

### 23.4 Health and Safety

- a. Safe Working Conditions: The Supplier prioritizes the safety and well-being of employees by providing safe working conditions.
- b. Health and Wellness Programs: The Supplier supports health and wellness initiatives for its workforce.

### 23.5 Freedom of Association and Collective Bargaining

- a. Free Association: The Supplier respects the right of employees to associate freely and engage in collective bargaining.

### 23.6 Supplier Code of Conduct

- a. Expectations from Suppliers: The Supplier commits to upholding the highest human rights standards, as outlined in this Code of Conduct.
- b. Communication of Expectations: The Supplier will communicate explicitly its human rights expectations to its own suppliers, establishing a clear and comprehensive code of conduct that outlines the principles and values expected.



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Sustainability  
report:



At JR Shipping Group, we consider the Sustainable Development Goals as essential pillars of our business operations, with the maritime industry holding a unique responsibility in promoting sustainability. We have aligned our sustainability priorities with the SDGs. Committed as we are to influence every SDG in a positive way, our influence and impact does not reach that far that it directly influences each SDG in an equal way. **The Sustainable Development Goals (SDG's) 3, 4, 5, 7, 8, 10, 12, 13, 14, 16, and 17 are our main points of interest. Of which SDG 3, 7, 13 & 14 have the major attention.**

