PART IV

Code of Conduct for Contractors

PREAMBLE

NATO is committed to fostering a culture of integrity, accountability, and ethical conduct, in all its activities.

While the Organisation's internal obligations are governed separately, this Code of Conduct reflects shared values that underpin every engagement.

Adherence to the Code of Conduct is a condition precedent to the Contract. The Contractor warrants compliance with the Code of Conduct throughout the duration of the engagement and, where specified, beyond such duration. Any material breach of the Code of Conduct may be considered by NATO as a Default under Clause 27 of the NATO General Terms and Conditions.

This Code of Conduct is designed to promote high standards of ethical behaviour and legal compliance. If any provision of this Code conflicts with a mandatory legal requirement in the jurisdiction where the Contractor operates, the later shall take precedence and apply. In such instances, the remaining provisions of this Code shall continue in full force and effect. The Contractor shall ensure that its employees, affiliates, subcontractors, and any other persons involved in the performance of a Contract are informed of, comply with, and act consistently with this Code of Conduct.

Where this Code of Conduct applies before the award or entry into force of a Contract, references to the Contractor shall be read as references to any bidder, tenderer, candidate, applicant, or other economic operator participating in a procurement process. Such references shall also include that person's affiliates, officers, directors, employees, agents, representatives, proposed subcontractors, suppliers, consultants, and any other persons acting for or on its behalf, or in any similar capacity, in connection with the procurement process.

How this Code of Conduct is organised?

Part A sets out general obligations that apply to every Contract or other type of engagement with the Organization.

Part B contains specific obligations; all sections in Part B apply unless the Organisation marks a section as *"Not Applicable."*

PART A — GENERAL OBLIGATIONS

These obligations apply to every engagement, without exception.

1. Compliance with Laws

Contractors must comply with all laws, directives, and regulations that apply to their activities in their home country and in every country where they operate or deliver under the engagement with NATO.

2. Integrity and Anti-Corruption

2.1 Anti-corruption

Contractors must comply with all applicable anti-corruption laws. They must carry out reasonable due diligence to prevent and detect bribery, financial misconduct, and corruption in all contracts including partnerships, joint ventures, offset agreements, and the use of intermediaries such as agents or intermediaries.

2.2 Improper payments

Contractors must not directly or indirectly, offer, promise, make, or accept any improper payment, whether money or anything of value, to or from anyone, including government officials, political parties, or candidates for public office, intended to exert undue influence or improper advantage. This includes facilitation payments, unless a formal government fee schedule exists and receipts are provided.

2.3 Improper influence, revolving door

Contractors must not seek to influence, improperly obtain, or retain business with NATO through undue influence, improper political contributions, overt or covert lobbying, or any other improper advantage.

Contractors must not offer employment, consultancy opportunities, cash, gifts, hospitality, or any other benefit to NATO personnel or their family members or their close associates as an inducement or reward related to any NATO decision. Contractors acknowledge that Organisation personnel are restricted from accepting certain gifts or hospitality and shall report any instances where they identify that Organisation personnel are not in compliance with such restrictions under clause 4.2 below.

Contractors must notify NATO in writing and without delay where they engage, or propose to engage, or assign, any former NATO personnel directly or indirectly in connection with procurement, award, management, or performance of a Contract or any other engagement. Additionally, Contractors shall provide all information reasonably requested by NATO to assess whether such involvement may affect, or reasonably appear to affect, the integrity, fairness, impartiality, or proper management of the procurement or Contract or any other engagement, including through unfair advantage, undue influence, misuse of non-public information, conflict of interest, or any related integrity concern. The determination of relevance and of any required mitigation measures shall be made by NATO, and the Contractor shall comply with any reasonable and proportionate directions issued by NATO to avoid, mitigate, or manage the relevant risk or concern.

Contractors must engage or compete on merit. They may only offer or accept gifts or courtesies that are permitted by law, consistent with reasonable business custom, and compliant with the recipient's own rules.

2.4 Fraud

Contractors must not gain, or seek to gain, any advantage through fraud, deception, false claims, theft, or misappropriation of property or information.

2.5 Fair competition

Contractors must comply with competition and antitrust law. They must not engage in any collusive, anti-competitive or coercive business practices in the form of vertical or horizonal restraints such as price fixing, bid rigging, market allocation, cartel activity, abuse of a dominant position or the improper supply or receipt of commercially sensitive information.

2.6 Conflicts of interest

For the purposes of this Clause, a conflict of interest includes any situation in which the Contractor's objectivity, independence, impartiality, or ability to perform the Contract or any other engagement in NATO's interests may be impaired, or may reasonably appear to be impaired, by financial, professional, contractual, organisational, personal, or other interests. This may include, without limitation, situations where the Contractor is required to review or assure its own work or interests, performs or seeks to perform conflicting work for another party, obtains an improper advantage from non-public NATO information, or may receive an improper financial, commercial, or personal benefit beyond the agreed compensation under the Contract.

The Contractor warrants that, to the best of the Contractor's knowledge and belief, there are no relevant facts or circumstances which could give rise to an existing or potential, actual or apparent organisational or personal conflict of interest, or that the Contractor has disclosed all such relevant information as part of a Conflict of Interest Mitigation Plan, agreed under this engagement.

In order to effectively avoid existing or potential, actual or apparent conflicts of interest, the Contractor shall be ineligible to participate, in any capacity, in contracts, subcontracts, or solicitations of offers for NATO projects or activities that are the subject of independent review or assurance by the Contractor under this or any other contract.

The Contractor agrees that if an existing or potential, actual or apparent conflict of interest is discovered after the conclusion of the Contract, the Contractor will make a full disclosure in writing to NATO in a timely manner. This disclosure shall include a description of actions which the Contractor has taken or proposes to take, to avoid, mitigate, or neutralize the existing or potential, actual or apparent conflict of interest. Following consultation with NATO, the agreed course of action may be documented in the Conflict of Interest Mitigation Plan and incorporated into the Contract.

If the Contractor was aware, or NATO has reasonable grounds to believe that the Contractor was aware or should have been aware, of an existing or potential, actual or apparent conflict of interest prior to the conclusion of the contract, or discovered an existing or potential, actual or apparent conflict of interest after the conclusion of the Contract and did not disclose or misrepresented relevant information to NATO, NATO may also terminate the Contract for Default, in whole or in part.

Without prejudice to the restrictions and remedies specified in this Clause, NATO reserves the right to prescribe reasonable and proportionate additional limitations on contracting for future requirements as the means of avoiding, neutralizing, or mitigating existing or potential, actual or apparent conflicts of interest that might otherwise exist.

The Contractor shall include the substance of this clause in any contract concluded for the purpose of the fulfilment of the obligations under the Contract and ensure that all Subcontractors also adhere to this obligation.

2.7 Insider trading

Contractors must not use non-public information obtained through an engagement to trade in financial instruments, recommend that others trade based on that information or pass on information to others outside the normal course of duty.

3. Respect for People

3.1 Human rights

Contractors must respect internationally recognised human rights. They must not be complicit in human rights abuses, and must not use or threaten harsh, inhumane, or degrading treatment, coercion, or corporal punishment of any kind.

3.2 Modern Slavery and Human Trafficking

Contractors must not engage in, support, facilitate, or benefit from human trafficking, slavery, servitude, forced labour, bonded, indentured, or involuntary labour in any form. Contractors must ensure that NATO funds are not used, directly or indirectly, to support any such practices. All work must be voluntary, and workers must be free to leave on reasonable notice. Contractors shall implement reasonable controls to prevent such practices in their operations and supply chains.

3.3. Prohibition of child labour

Contractors must not employ anyone below the minimum legal working age or the International Labor Organisation minimum age, whichever is higher. Workers under 18 must be protected from hazardous work and work that could harm their development or interfere with their education.

3.4 Non-discrimination and inclusion

Contractors must provide equal opportunity and treatment, in employment, without discrimination based on gender, race, ethnic origin, religion, belief, age, social status, disability, sexual orientation, or any other personal characteristic. Employment decisions must be based on skills, qualifications, and performance.

3.5 No harassment or abuse

Contractors must provide a working environment free from physical, psychological, sexual, or verbal harassment, bullying, or any other form of exploitation or abuse.

3.6 Sexual exploitation and abuse

Contractors must not allow their employees, subcontractors, or any person engaged by them to engage in sexual exploitation or abuse as defined by the NATO Policy on Preventing and Responding to Sexual Exploitation and Abuse. This includes, but is not limited to:

(a) actual or threaten action or behaviour of sexual nature with any person under the age of 18, regardless of any laws relating to the age of majority or consent;
(b) exchanging money, employment, goods, services, favours, or other things of value for sex; and
(c) any sexual activity or behaviour that is humiliating, degrading or exploitative to any person.

4. Ethical Conduct and Reporting

4.1 Contractors' code of conduct

Contractors are strongly encouraged to maintain their own written code of conduct that reflects the principles in this Code of Conduct, and to provide training to support ethical decision-making. These measures should be commensurate with the size and nature of the Contractor's operations.

Contractors are expected to give employees and third parties access to confidential reporting channel including anonymous reporting to raise legal or ethical concerns without fear of retaliation. They are also expected to take action to prevent and correct retaliation against anyone who reports a concern in good faith.

4.2 Whistleblowing

The Contractor acknowledges that it and any officers, agents, employees, Subcontractors, or representatives have a right to report any suspected misconduct or wrongdoing relating to the work of the NATO International Staff to NATO Internal Oversight Service (IOS) via Speak-up@hq.NATO.int. The Contractor shall familiarize its officers, agents, employees, representatives and Subcontractors, with such reporting channels prior to their undertaking work under the Contract and at regular intervals while they continue to be engaged in performance of duties thereunder. The Contractor shall not directly or indirectly impose any retaliatory act or omission to the detriment of a person for reporting suspected misconduct or wrongdoing relating to the work of NATO or cooperating with a duly authorised investigation into such a matter.

PART B — SPECIFIC OBLIGATIONS

All sections in Part B apply unless the Organisation marks a section *as "Not Applicable."* If no box is marked, the section applies in full.

Section 5 — Responsible Sourcing and Counterfeit Parts	☐ Not Applicable

5. Responsible Sourcing and Counterfeit Parts

5.1 Conflict minerals

Contractors must source materials responsibly and support efforts to eradicate the use of minerals that finance or benefit groups involved in human rights abuses. When requested, they must provide supply-chain-of-custody data. Where the chain of custody is unknown, the Contractor must obtain appropriate certification or phase out the material.

5.2 Counterfeit parts

Contractors must maintain effective processes to prevent counterfeit or pirated parts and materials from entering the supply chain and must not otherwise infringe third party intellectual property rights in the engagement They must be able to detect, report, and quarantine counterfeits, pirated materials or other intellectual property infringements and must immediately notify the Organisation and any other affected party if counterfeiting, piracy or other intellectual property infringement is found or suspected.

Section 6 —Labour Conditions	☐ Not Applicable

6. Labour Conditions

6.1 Hours, wages, and benefits

Contractors must follow all applicable laws regarding working hours, rest, and leave. Contractors must pay at least the applicable minimum wage and provide all legally mandated insurance and benefits, including for overtime and danger pay. Wages, hours of work, and other working conditions must not be inferior to the best conditions existing locally for work of the same character performed in the same working position and environment. Wages must be paid in legal tender, at regular intervals, in full and directly to the worker. Deductions from wages are permitted only under conditions and if prescribed by the applicable law, regulations, or collective agreement.

6.2 Health and safety

Contractors must provide a safe and healthy workplace. At a minimum, this includes potable water, sanitary facilities, fire safety, emergency preparedness, adequate lighting and ventilation, injury and illness treatment facilities, machine safeguarding, and adequate protective clothing and equipment. The same standards apply to any dormitory or canteen facilities.

Contractors must work to eliminate fatalities, work-related injuries, and health impairment, and must ensure that workplaces, machinery, and substances under their control do not pose a health risk. Chemical, physical, and biological substances and agents under the Contractor’s control must be without health risk when appropriate protective measures are taken.

Section 7 — Environmental Management	☐ Not Applicable

7. Environmental Management

7.1 Environmental compliance

Contractors must comply with all applicable environmental legislation and manage environmental risks across their operations, products, and supply chain. They are encouraged to maintain an environmental management system and integrate environmental considerations into their products or services.

7.2 Resource efficiency and emissions

Contractors must be responsible in their use of energy, water, and natural resources, minimise waste and polluting materials, or air emissions. They will use adequate packaging and favour reusable or recycled materials where practicable.

7.3 Hazardous materials and waste

Hazardous materials must be identified and managed for safe handling, storage, recycling, and disposal. Any unauthorised release must be reported to the appropriate authorities. Wastewater, solid waste, and air emissions must be monitored, controlled, and treated before discharge or disposal.

--End of document--