

# CODE OF CONDUCT FOR SUBCONTRACTORS AND SUPPLIERS

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**Ballast Nedam**

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# 1. Introduction

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Ballast Nedam is a development and construction company with projects at its core. Ballast Nedam aims to be the most competitive construction company. Through direct and open dialogue with our customers and partners, Ballast Nedam develops future-proof buildings and infrastructure: from dream to realisation. We combine this with our intelligent approach to cost efficiency, technology, global expertise and focus on operational excellence. This is how Ballast Nedam achieves ground-breaking solutions.

The projects on which Ballast Nedam focuses cover a large part of our built environment and ensure diversification within the group. Projects in which Ballast Nedam makes the difference for the customer through our specialist knowledge and skills. Ballast Nedam is industrialising the construction process by deploying innovative modular concepts and standardising its approach.

## 2. General Requirements Code of Conduct

Ballast Nedam endorses the importance of corporate social responsibility as described in our CSR policy and implements it company-wide. Our CSR policy is in line with the guidelines for multinational companies of the OECD (Organisation for Economic Cooperation and Development) and the principles of the ILO (International Labour Organisation) Declaration on Fundamental Principles and Rights at Work. Our subcontractors and suppliers play a significant role in implementing our CSR policy. This Code of Conduct for Subcontractors and Suppliers (hereinafter the "Code of Conduct") is therefore in line with our CSR policy and describes how we want to work (together) with each other and how we can make a positive contribution to our living environment. We therefore expect our subcontractors and suppliers to comply with the principles and values expressed in this Code of Conduct, in addition to complying with applicable local laws and regulations.

We also expect the values and principles mentioned in this Code of Conduct to be declared valid for the chain of our subcontractors and suppliers.

Furthermore, all companies accessing Ballast Nedam's building site must comply with the applicable rules and requirements concerning quality, safety, health, labour and environment.

Subcontractors and suppliers must also take appropriate measures if they are aware of any violation of the Code of Conduct or comparable standards. In that case, Ballast Nedam may advise on which points corrections or improvements are necessary. Failure to comply with the Code of Conduct or repeated and unjustified refusal to provide the required information may result in suspension or termination of the agreement with Ballast Nedam.

In case of conflict, local laws and regulations will prevail over this Code of Conduct. In that case, subcontractors and suppliers shall immediately inform Ballast Nedam so that, if possible, appropriate measures can be taken.

## **3. Requirements of the Code of Conduct**

### **3.1 Professionalism**

Subcontractors and suppliers must comply with the statutory regulations, the Ballast Nedam HSE (Health, Safety & Environment) Requirements and the Ballast Nedam Basic Site and Conduct Rules. We expect subcontractors and suppliers to be mindful of our and their own safety as well as that of all others present on and around the building site. Subcontractors and suppliers are expected to make every effort to prevent unsafe situations, to report any unsafe situation that may have arisen and resolve it immediately if this is safely possible.

### **3.2 Health and Safety**

Subcontractors and suppliers must comply with the statutory regulations, the Ballast Nedam HSE (Health, Safety & Environment) Requirements and the Ballast Nedam Basic Site and Conduct Rules. We expect subcontractors and suppliers to be mindful of our and their own safety as well as that of all others present on and around the building site. Subcontractors and suppliers are expected to make every effort to prevent unsafe situations, to report any unsafe situation that may have arisen and resolve it immediately if this is safely possible.

### **3.3 Environment and Sustainability**

We expect subcontractors and suppliers to comply with all local environmental regulations and rules, as well as the environmental requirements mentioned in the agreement with Ballast Nedam, and that, at all times, damage to the environment and surroundings is minimised and even prevented.

Ballast Nedam requires its subcontractors and suppliers to contribute to environmentally friendly and energy-reducing solutions that we can offer to our customers and apply in business. Entrepreneurship, innovative and sustainable solutions should be encouraged. Subcontractors and suppliers are expected to know their responsibilities in relation to the environment and surroundings.

### **3.4 Cooperation**

The basis for cooperation is to approach each other openly and without prejudice. Subcontractors and suppliers are expected to make efforts in the chain to make use of each other's qualities and work together successfully.

### **3.5 Transparency**

Subcontractors and suppliers are expected to be open and accessible and to communicate in a clear and unambiguous way. Business transactions and considerations in the chain should be transparent. Ballast Nedam is entitled to carry out audits to verify compliance with this Code of Conduct

### **3.6 Integrity**

We expect subcontractors and suppliers to keep business and private interests separate, avoiding any appearance of a conflict of interest. Gifts and gratuities, both internal and from third parties, should never influence decision-making. Subcontractors and suppliers are expected to act in good conscience at all times and abuse of power should not be permitted under any circumstances.

Employees of Ballast Nedam do not accept or give any gifts, services or other benefits that could create the appearance of impropriety. Ballast Nedam employees never accept or provide excessive lunches or dinners. The rule of proportionality applies: the occasion must be in proportion to the function of the persons and may never be excessive in any function.

### **3.7 Respect**

Subcontractors and suppliers should create a working environment in which everyone feels comfortable and approaches each other with fairness and dignity. In this working environment, everyone should be accepted as they are.

### **3.8 Discrimination**

Under no circumstances shall a subcontractor or supplier discriminate or act in a discriminating manner when hiring and employing personnel as well as when awarding labour-related matters, including but not limited to compensation, access to education and training and termination of agreements.

## **4. Specific Requirements**

### **4.1 Terms and Conditions of Employment**

We expect our subcontractors and suppliers to comply, at a minimum, with all (local) laws and regulations on compensation and working hours, including the legal requirements for minimum wages, overtime compensation, sick leave, piecework compensation and other compensation arrangements.

### **4.2 Freedom of Association and Collective Bargaining**

Subcontractors and suppliers shall respect the right of workers to form and join trade unions or other organisations for the protection and promotion of their interests. Subcontractors and suppliers shall also respect the right to collective bargaining.

Where the right to freedom of association and collective bargaining is limited by law, subcontractors and suppliers shall respect workers' rights to the fullest extent permitted under national law and encourage the appointment of workers' representatives and their interests.

### **4.3 Harassment and Punishment**

We expect our subcontractors and suppliers not to use or condone corporal punishment and/or any other form of mental and/or physical coercion, punishment or oppression or sexual harassment in any way.

### **4.4 Child Labour**

Subcontractors and Suppliers shall prevent all forms of child labour and shall under no circumstances employ or benefit from the use of children below the legal minimum age for employment (generally 15 years), taking into account local education and training obligations for these children. Employees of Subcontractors and Suppliers who are younger than 18 years of age are not allowed to perform work on Ballast Nedam's sites.

If child labour is found in the chain of subcontractors and suppliers, the subcontractor or supplier should take the necessary measures to improve the situation and ensure the child's welfare and education. It is the responsibility of the subcontractor and supplier to report child labour to a certified aid organisation, the local authorities and Ballast Nedam.

### **4.5 Forced Labour**

Subcontractors and suppliers are expected not to allow forced labour and/or involuntary penal labour in their own operations or in the chain under any circumstances.

### **4.6 Corruption and Bribery**

#### **Corruption:**

*Corruption is a collective term and means that someone abuses their position for personal or business benefit. Bribery and extortion all fall under the heading of corruption. Corruption often goes hand in hand with other criminal offences, such as forgery and money laundering.*

#### **Bribery:**

*Offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to performance of that person's duties.*

Subcontractors and suppliers shall not in any way directly or indirectly commit acts of corruption, including extortion, fraud and/or bribery. Subcontractors and suppliers are obliged to comply with all relevant anti-corruption and anti-bribery laws and regulations, including the:

- United Nations Global Compact (UNGC)
- United Nations Convention Against Corruption (UNCAC)
- OECD Convention on combating Bribery of Foreign Public Officials in International Business Transactions
- Foreign Corruption Practices Act (FCPA)
- UK Bribery Act

Subcontractors and suppliers fully indemnify Ballast Nedam against the consequences of subcontractors' and suppliers' failure to meet their obligations. Subcontractors and suppliers are not permitted to make expenditures other than for legally permissible purposes. Subcontractors and suppliers are not permitted to make payments/ gifts or promises to public officials or to principals or their representatives in connection with the award of the contract or the execution of the project. Subcontractors and suppliers are required to clearly and transparently document all expenditures made in connection with the project. These documents should be available for periodic review by Ballast Nedam.

Subcontractors and suppliers must also ensure that these corrupt acts do not take place in the chain.

#### **4.7 Competition**

Suppliers and subcontractors must comply with all applicable competition laws and regulations and not engage in discussions and agreements with competitors regarding prices or other similar activities.



**Ballast Nedam**

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