

BALLAST NEDAM CODE OF CONDUCT FOR SUBCONTRACTORS AND SUPPLIERS

1.0 Preface

Ballast Nedam is a development and construction company in which the projects form the core business. Ballast Nedam wants to be the most competitive construction company. Via direct and open dialogue with its clients and partners, Ballast Nedam develops future-proof buildings and infrastructure: from dream to completion. It combines this with its smart view of cost efficiency, technology, worldwide expertise and focus on operational excellence. In this way Ballast Nedam achieves ground-breaking solutions.

The projects on which Ballast Nedam focuses include the major part of our built environment and ensure diversification within the group. These are projects in which Ballast Nedam makes the difference for its client through its specialist expertise and skills. Ballast Nedam industrialises the construction process by using innovative modular concepts and standardising its approach.

2.0 General Conditions Code of Conduct

Ballast Nedam endorses the importance of Corporate Social Responsibility as described in our CSR policy and implements this throughout the entire organisation. Our CSR policy is in accordance with the guidelines of the OECD (Organization for Economic Co-operation and Development) and the principles of the ILO (International Labour Organization) Declaration on Fundamental Principles and Rights at Work. Our subcontractors and suppliers play an important role in the execution of our CSR policy. This Code of Conduct for Subcontractors and Suppliers (hereinafter the “Code of Conduct”) is in line with our CSR policy and describes how we want to work together and how we can make a positive contribution to our living environment. We therefore expect from our subcontractors and suppliers that, next to complying with applicable national laws and regulations, they also abide by the values and principles described in this Code of Conduct.

We expect that the values and principles of this Code of Conduct are also declared applicable for companies in the supply chain of our subcontractors and suppliers.

Furthermore, subcontractors and suppliers that enter the construction site of Ballast Nedam are required to comply with the applicable rules and regulations with respect to quality, safety, health, labour and the environment.

Subcontractors and suppliers shall also take appropriate measures if they are aware of violations of the Code of Conduct or similar norms. In such cases, Ballast Nedam may advise on the points where correction or improvement is needed. Failure to comply with the Code of Conduct or repeated and unfounded refusal to provide the required information may result in suspension or termination of the agreement with Ballast Nedam.

In case of conflict, the applicable local laws and regulations shall prevail over this Code of Conduct. In such case, subcontractors and suppliers shall immediately inform Ballast Nedam thereof in order to take the appropriate measures, if possible.

3.0 Regulations Code of Conduct

3.1 Professionalism

Subcontractors and suppliers are expected to deliver high quality services and products and are expected to keep a record of transactions in accordance with applicable procedures and handle information carefully. Subcontractors and suppliers are deemed to respect and be committed to the principles and values of Ballast Nedam and to refrain from conduct and actions that may undermine Ballast Nedam’s reputation.

3.2 Safety

Subcontractors and suppliers are required to comply with the applicable safety rules and regulations. We expect that they keep in mind our and their own safety, as well as that of others. Subcontractors and suppliers are expected to do their utmost to report unsafe situations and immediately remedy them.

3.3 Environment and Sustainability

We expect that subcontractors and suppliers meet all relevant local environmental regulations, as well as the environmental requirements stated in the agreement with Ballast Nedam. We also expect from subcontractors and suppliers to strive to restrict and even prevent damage to the environment and surroundings at all times.

Ballast Nedam expects its subcontractors and suppliers to contribute to environmentally acceptable and energy saving solutions which we are able to offer to our clients and are able to use in our company operations. Entrepreneurial, innovative and sustainable solutions should thereby be stimulated. Subcontractors and suppliers are expected to know and undertake their responsibility with regard to the environment and surroundings.

3.4 Teamwork

The basis for teamwork is to approach each other in a mutually open and unprejudiced way. Subcontractors and suppliers are expected to seek and use each other's advice and qualities, and successfully co-operate with all parties within the supply chain.

3.5 Transparency

Subcontractors and suppliers are expected to be open and accessible and to communicate in a transparent and clear manner. Commercial transactions, considerations and processes within the supply chain are to be transparent. Ballast Nedam has the right to conduct audits in order to verify compliance with this Code of Conduct.

3.6 Integrity

We expect our subcontractors and suppliers to separate personal interests from business/professional interests and to avoid any appearance of conflict of interest. Presents and gifts from and to internal parties as well as from and to external parties, shall never affect the process of decision making. Subcontractors and suppliers are expected to act in good conscience at all times. Abuse of power will in no circumstances be acceptable.

Employees of Ballast Nedam do not accept or give presents, services or other advantages that would create the appearance of impropriety. Employees of Ballast Nedam never accept or host excessive entertainment, lunches or dinners. This should all suit the social and business status of the (potential) business relationship and shall never be excessive, regardless of someone's function.

3.7 Respect

Subcontractors and suppliers are required to create a pleasant working environment in which everyone feels comfortable and is approached free of prejudice and in a respectful manner. In this working environment everyone needs to be accepted as he/she is.

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.

4.0 Specific Regulations

4.1 Conditions of Employment

We expect our subcontractors and suppliers to at least comply with all applicable (local) laws and regulations concerning (monetary) remuneration and working hours including the legal requirements with regard to minimum wages, overtime wages, sick leave, unit rates and other rulings of compensation.

4.2 Freedom of Association and Collective Bargaining

Subcontractors and suppliers shall respect the rights employees to freely join and form trade unions or any other organisation aimed at the protection and advancement of the interests of its members in the workplace. Subcontractors and suppliers shall also respect their right to collective bargaining. In case the right to freedom of association and collective bargaining is restricted by law, subcontractors and suppliers shall respect employees' rights to the fullest extent permitted under the national law and encourage the appointment of representatives of the employees and their interests.

4.3 Intimidation and Disciplinary Measures

Subcontractors and suppliers shall under no circumstances use, allow or encourage any form of corporal punishment, sexual intimidation and/or any other form of psychological and/or physical coercion, punishment or suppression.

4.4 Child Labour

Subcontractors and suppliers shall combat all forms of child labour and shall ensure that no children are employed or shall benefit from the use of child labour under the legal minimum age of employment (in general 15 years), taking into account the local schooling and educational obligations. Subcontractors and suppliers shall not employ personnel under the age of 18 for hazardous work.

In case child labour is identified in the supply chain of the subcontractor or supplier, the subcontractor or supplier shall take all the necessary measures in order to improve the situation and well-being of the child and to ensure the child's education. It is the responsibility of subcontractors and suppliers to report child labour to a certified aid organisation, the local authorities and Ballast Nedam.

4.5 Forced Labour

Subcontractors and suppliers shall under no circumstances permit the use of forced labour and/or involuntary prison labour on its own sites and premises as well as in its supply chain.

4.6 Corruption and Bribery

Subcontractors and suppliers shall in no way, directly nor indirectly, engage in corrupt practices, including extortion, fraud and/or bribery. Subcontractors and suppliers shall comply with all applicable anti-corruption and anti-bribery laws, rules and regulations, including the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the UK Bribery Act 2010. Subcontractors and suppliers fully indemnify Ballast Nedam for any breach of such anti-corruption and anti-bribery laws, rules and regulations. Subcontractors and suppliers shall make no expenditures other than for lawful purposes. Subcontractors and suppliers shall make no payments, gifts or promises to public officials or clients and representatives of the client in connection with the award or execution of the project. Subcontractors and suppliers are required to keep clear and transparent records of all expenditures in relation to the execution of the project. Such records shall be available for periodic inspection by Ballast Nedam.

In addition, subcontractors and suppliers must ensure that these corrupt practices also do not take place within their supply chain.

4.7 Competition

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