



Our Code of Conduct

Working with our subcontractors, suppliers and partners to do the right thing

Balfour Beatty

What is it?

Our Code of Conduct sets out what we value as a company. These principles define who we are, how we work, and what we stand for. They also tell us what we expect of ourselves and all who work with us. The Code of Conduct is not a set of rules and it cannot cover every possible situation. We are all required to use our best judgment in applying the principles of the Code and to demonstrate its spirit in everything that we do.

We appreciate that many of you who work with us have developed your own principles to guide you in the workplace, so we don't ask you to replace those with ours. However, we do ask that you respect our Code and understand that we have made a fundamental commitment to work only with those whose standards are consistent with our own.

Who does it apply to?

Us

We expect all of our full time, part time and temporary staff, at all our business locations around the world, to apply our Code thoughtfully and consistently.

Our subcontractors, suppliers and partners

We are committed to working only with business partners whose standards are consistent with our own and who respect our principles. This includes joint venture and alliance partners, customers, subcontractors, consultants and all suppliers of goods and services.

Your supply chain

When you work with us, we expect you to demand these same standards of your partners, subcontractors, consultants and suppliers.

What to do if you have a serious concern

If you have a serious concern that something may not be consistent with this Code, please speak up. We encourage you to raise any concerns or questions you have in confidence, and we value the information that you can provide. We will always support you for doing the right thing. We will not tolerate any retaliation or discrimination of any kind against anyone who has raised something in good faith.

All issues are treated seriously. We will follow them up conscientiously, discreetly and without bias. Anything you raise will be treated confidentially and communicated on a need-to-know basis only.

How to raise your concern

Generally you should first discuss the matter with senior management within your organisation, who in turn should feel confident to raise it with Balfour Beatty senior management.

If you believe the matter cannot be handled appropriately in this way, you can contact our Speak Up hotline. You can access this service via the internet at www.balfourbeattyspeakup.com, where you will also find a freephone (toll-free) telephone number, in case you prefer to speak to someone by telephone. If necessary and the laws of your country allow it, you can raise concerns anonymously.

What is the Speak Up hotline? The Speak Up hotline is an external service administered by an independent firm on behalf of the Balfour Beatty Group, so impartiality and confidentiality are assured.

When you use the hotline you will be asked if you want to disclose your contact information. If you say yes, this information may be recorded in a database. You have a right of access to any personal information about you that is held or processed by or on behalf of Balfour Beatty plc.



Message from Leo

Balfour Beatty's history is built on the integrity of our people and the people who work with us, who are collectively creating infrastructure, supporting communities and enabling growth.

All great companies are prepared to be measured on what they stand for and we are no exception. Our Code of Conduct captures the way we choose to operate. It tells other what they can expect of us – the standards we set ourselves in being “Trusted”. We ask that you respect our Code and help us to fulfil our values of Talking Positively, Collaborating Relentlessly and Encouraging Constantly.

Please apply your good judgement to the principles set out in the Code. If in doubt, ask yourself “Is this right?” and “Is this what Balfour Beatty stands for?” And, as with our own people, I urge you to challenge any unethical, dishonest or questionable behaviour in our organisation.

Bringing the code to life in this way is how each of us plays our part in becoming the leading engineering and infrastructure company in our chosen markets.

Leo Quinn

Group Chief Executive



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Fraud, deception & dishonesty

Our principle

We will not defraud or deceive anyone, act dishonestly or misuse company property or resources or facilitate tax evasion

What do we mean?

Although precise definitions may vary from country to country, fraud always involves deception and dishonesty.

It is fraud when you try to deceive someone or act dishonestly to gain any kind of material advantage or use or involve anyone to do so.

Fraud is usually carried out for profit or to obtain money, property or services unjustly. It can involve us, you or a third party.

In some countries, like the UK and the US, you can be prosecuted just for being careless or reckless in letting it happen, even though you didn't deliberately set out to commit fraud yourself.

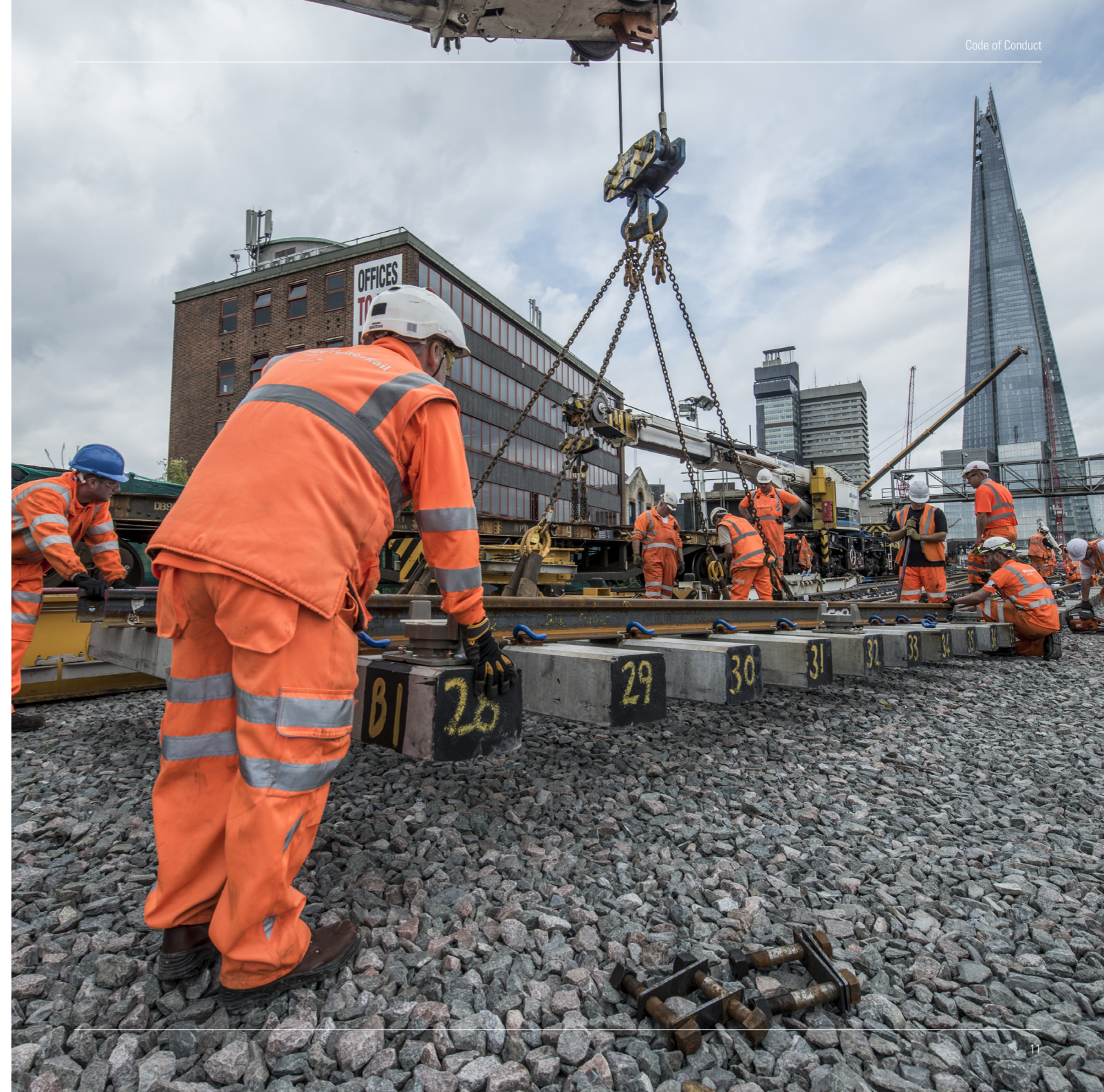
Tax evasion is the illegal and fraudulent non payment of tax. We never engage in tax evasion or assist anyone else to do so.

Working with us

Never seek to gain any advantage of any kind by acting fraudulently, deceiving people or making false claims, or allow anyone to do so on your or our behalf. This includes defrauding or stealing from the company, a customer or any third party, and any kind of misappropriation of property.

Always act honestly, fairly and openly, carefully checking or inspecting everything that you are responsible for.

Always ensure you fully comply with your tax obligations.



False claims

Our principle
We will not claim for something we are not entitled to

- What do we mean?**
This kind of fraud includes knowingly or recklessly misrepresenting or inaccurately recording time spent or materials or services provided. It also includes concealing defects or fabricating evidence, in each case, even if we or the client requests or supports that.
- Checklist for claims**
 - ✓ Have I done all I should?
 - ✓ Am I happy I've been honest, open and transparent?
 - ✓ Can I back up my claim with documentary evidence?

Working with us
We need to know that no one is submitting false claims. So we require complete transparency and assessments to be as reasonable and accurate as possible, all backed-up and substantiated with appropriate documentary evidence. Particular care must be taken when calculating and claiming or applying for payment.

Bribery & corruption

Our principle
We will not give or receive bribes or participate in corruption

- What do we mean?**

Bribery – offering, providing or receiving something of value including cash, gifts, hospitality or entertainment as an inducement or reward for something improper. Usually, but not always, it is to obtain or retain business or gain an illegitimate advantage.

Corruption – dishonest practices including, but not limited to, bribery, extortion, fraud, deception, collusion, cartels, abuse of power, embezzlement or money laundering.

Facilitation payments – are usually small payments or gifts generally made to junior or lower level public officials to speed-up or “facilitate” actions that officials are required to perform
- Working with us**

Never offer, give or receive bribes or make or accept improper payments to obtain new business, retain existing business, or secure any improper advantage and never use or permit others to do so. This includes any type of facilitation payment, large or small, even where such payments are perceived as a common part of local business practice or acceptable under local law.

The help, advice and local knowledge of agents and other consultants or contractors can sometimes be essential. However, we require them to operate at all times in accordance with our principles.

Always tell us about any attempt to bribe you or solicit bribes from you and any suspicions you have about bribery and corruption.

Bullying, harassment & discrimination

Our principle

We do not tolerate bullying, harassment or discrimination

What do we mean?

Bullying and harassment refer to any action or behaviour that any individual or group finds unwelcome, humiliating, intimidating, threatening, violent, hostile or discriminatory.

Discrimination means treating a certain person or group based on factors such as age, race, religion, national or ethnic origin, colour, gender, sexual orientation, gender reassignment, marital status, disability unrelated to the task in hand, union membership or political affiliation. This is not necessarily an all-inclusive list and factors could vary based on the laws where your business is located.

Working with us

We are committed to creating an inclusive working environment in which everyone is respected and can flourish equally, without fear or favour. We do not tolerate behaviour or attitudes that support coercion, intimidation or discrimination.

Whenever and wherever we observe such behaviour, we challenge it and support others who do so.

We expect this of you too.

We never:

- ✓ Check references for job applicants without first obtaining consent
- ✓ Use or support databases of “blacklisted” people or supply information to such databases

Human rights

Our principle

We respect and protect human rights

What do we mean?

The United Nations Universal Declaration of Human Rights proclaims certain fundamental rights and freedoms. These include the right to life, liberty and security; equal rights of men and women; the right to protection under the law and against discrimination, slavery, servitude, torture, or inhumane or degrading treatment; and freedom of speech, thought, conscience and religion.

We do not tolerate forced, debt bonded, indentured labour practices, or human trafficking. In the UK, we expect every party who we have dealings with to adhere to the principles of the Modern Slavery Act 2015, as we do ourselves.

Working with us

Wherever we work in the world we ensure that we do not exploit anyone. We uphold the rights of all those who work for or with us and of the

communities in which we operate. This means refusing to do business with any individual, company or organisation that fails to uphold the standards and principles of basic human rights, or has links with an oppressive regime that give us cause for concern.

We therefore require that you share our commitment to respecting, protecting and promoting:

- All the principles set out in the United Nations Universal Declaration of Human Rights and the UN Global Compact initiative.
- The International Labour Organisation’s standards regarding child labour and minimum age.
- The Ethical Trading Initiative (ETI) Base Code
- The principles of our Code concerning the rights of everyone who works for or with us, or who is impacted in any way by our activities.
- The principles of the Modern Slavery Act 2015 in relation to slavery and human trafficking
- National legal requirements regarding wages and working hours

Our commitments

- ✓ To observe, protect and promote these rights wherever we operate
- ✓ To encourage our staff and suppliers to identify any person they think may be at risk from these practices and so help us to help people at risk

We expect you to be able to confirm the steps you are taking to ensure modern slavery and labour exploitation are not taking place in your supply chains or in any part of your business and to maintain a complete set of records to trace the supply chain of all goods and services you provide to Balfour Beatty as detailed in our Modern Slavery and Labour Exploitation Guidance & Requirements for Suppliers available at <http://www.balfourbeatty.com/suppliers/important-documents-for-suppliers/>.

The environment

Our principle

We care about the natural world and recognise our responsibility to work within environmental limits

What do we mean?

For an infrastructure business like ours, maximising the use of infrastructure assets for our clients whilst minimising use of resources is essential if we are to reduce our impact on the environment, contribute to society and offer best value. Key to this is that the infrastructure we design and construct is resilient and that we all use the earth’s resources, both its materials and people, carefully and responsibly, using what we need, but being mindful of tomorrow’s needs as well.

We have, therefore, set our own ambitious vision and have a strategy, the “Blueprint”, for establishing a more sustainable business.

Each one of us also has a role to play: through our decisions we can offer more sustainable solutions, minimising our impact on the environment.

Sustainable development

We know the world’s resources are finite. We also recognise that sustainable development – particularly of public infrastructure – is vital to maintain and improve the standard of living in the countries in which we operate. It is our responsibility to do all we reasonably can to reconcile these two statements.

Working with us

We therefore require that you share our commitments to:

- ✓ Continually improve our environmental performance and results and to review them on a regular basis
- ✓ Aspire to provide infrastructure that enhances ecology and ecosystem services

Communities

Our principle

We respect the community around us and commit to contributing to its improvement

What do we mean?

Balfour Beatty contributes positively to communities wherever we work through the services we provide and the lasting infrastructure we leave for the public, such as schools, hospitals, other social infrastructure and transport systems. Furthermore, we run community investment programmes that support local people, businesses and environmental projects.

We are never complacent about the way we work in a local area, or the impact our operations can have on local people and their environment. We listen, we care about people’s concerns and we act on them wherever and whenever we can. We will proportionately address community needs as part of our project work and positively impact, through our community benefit programmes, the social, economic, or environmental circumstances of the communities we work in.

We believe that our strategy to be a more sustainable business and profitable markets, healthy communities and environmental limits are not competing interests and that when aligned they can create shared value. In order to be a successful and profitable company, we need to realise that.

Working with us

We therefore expect you to join us in these commitments when we work together:

- ✓ We will respect the traditions, cultures and laws of the countries in which we operate
- ✓ We will take into account the concerns of the wider community, including both national and local interests
- ✓ We will listen to the concerns of local communities and, wherever we can, we will act to mitigate them
- ✓ We will keep the communities affected by our projects regularly updated and informed
- ✓ We will seek to employ local people and local resources on our projects wherever possible

- ✓ We will work with communities to understand how we can help them to improve their wellbeing
- ✓ We will collaborate with the project stakeholders, customers and impacted communities to help improve and optimise our social impact
- ✓ We will keep records of the resources and time spent delivering community benefit and social value activities, clearly showing who worked alongside us and who we provided benefits to



We make safety personal

Our principle

Nothing is more important than the health and safety of everyone who works for or with us

What do we mean?

Health is safety – We treat health like safety and seek to design out or manage down risks.

Our Zero Harm vision – This means no injury or ill health caused by our work activities.

Leadership – We will lead by example and not walk by.

Governance arrangements – We will monitor and improve health and safety performance and hold ourselves to account through our clear governance arrangements.

Just culture – Those involved in unsafe acts will be treated fairly and protected for making genuine mistakes but anyone knowingly setting people to work or working in contravention of risk control measures will be removed from site with immediate effect.

Learning and sharing – We will work with others to improve health and safety standards and share best practice.

Working with us

We expect you to follow our four golden rules

1. Be fit for work
2. Always receive a briefing before starting work
3. Report all unsafe events and conditions
4. Stop work if anything changes

Open & fair competition

Our principle

We believe in open and fair competition and only seek competitive advantage through fair and lawful means

What do we mean?

We want to work in marketplaces that are fair, open and honest, and want our competitors, customers and suppliers to know this is how we will always behave. We comply with competition and anti-trust laws wherever we do business, and we expect you to do the same. We want to work with strong suppliers and partners who succeed on the merits of their service offering and not those resorting to unfair tactics to gain improper advantage.

Working with us

Never share with us:

- ✓ Information you receive from or about our competitors or their bids
- ✓ The bids you make to our competitors

You suffer too if we have to withdraw from a bid as a result

Always:

- ✓ Report anti-competitive behaviour if you see it or suspect it
- ✓ Return immediately any confidential information you should not have received

Competition and Anti-Trust Laws

A number of countries around the world have developed competition or anti-trust laws. They prohibit a variety of business practices that restrict free and fair competition such as bid rigging, price fixing or market sharing. They differ by country and can be very complex.

Violations of such laws are very serious and lead to criminal or civil prosecution. They can also result in very large fines.



Gifts & hospitality

Our principle

We make sure gifts and hospitality are reasonable and don't improperly influence a decision

What do we mean?

To foster good will or working relationships our employees may occasionally receive or offer gifts or hospitality. Hospitality includes invitations to social functions, sporting events, meals and entertainment. Gifts can vary in type and are generally low value or a customary token of appreciation.

Any gifts or hospitality we receive or offer should always be reasonable in terms of value, frequency and timing.

Working with us

In principle, there is nothing wrong with genuine relationship building gifts or hospitality.

We don't want anyone trying to influence or pressurise us or others, by offering things that may create a sense of obligation or that could be misconstrued or misrepresented. Neither do we want you to be influenced or pressurised through the acceptance of inappropriate gifts or hospitality.

Use your judgement and good sense – and if in doubt, always ask.

Balfour Beatty

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www.balfourbeattycodeofconduct.com

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