

SCOPE

The requirements of this policy apply across Balfour Beatty in the UK. This policy applies to all employees, consultants, contractors and agency workers, including those working in Joint Ventures.

PURPOSE

Implementing the requirements of this policy will ensure that we comply with and implement the principles contained within the Balfour Beatty Code of Ethics. Conflicts of interest should be avoided where possible, however where conflicts do arise, these must be disclosed, registered and mitigated effectively.

ABBREVIATIONS / DEFINITIONS

Conflicts of Interest	<p>arise when an employee finds them self in a position where two or more interests compete, thereby potentially influencing or compromising his or her judgement and/or independence, or could be perceived by others to do so.</p> <p>Examples of Conflicts of interest which could lead or could be perceived to lead to a conflict with the interests of Balfour Beatty, its customers and/or suppliers include (but are not limited to)</p> <ul style="list-style-type: none"> • an employee’s personal investments or business interests, or those of family members, friends or associates (but exclude holdings of less than 1% in a publicly quoted company) • Close personal relationship, friendships and/or familial relationships with third parties who Balfour Beatty work for or with (this includes customers, competitors, suppliers, subcontractors and consultants) • Situations where close personal relationships or familial relationships exist between employees and one employee has line management authority or is involved in decisions relating to the other’s employment (for example, promotion, pay, terms and conditions, transfer, disciplinary, grievance).
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INPUTS

Reference	Type	Title
Link	Reference	Code of Ethics
HRS-PL-0069	Policy	Personal Relationships at Work

OUTPUTS

Reference No.	Document Title	Responsibility	Retention Period
Link	Conflict of Interest Register	All employees	n/a

GUIDANCE

1. Employees should, where possible, avoid all conflicts of interest but this is not always practical.
2. Where avoidance is not possible, all conflicts of interest, including those of an employee's family members, friends or associates that may conflict or could be perceived to conflict with Balfour Beatty's interests or the employee's role within Balfour Beatty, must be declared in accordance with this policy. This declaration must be made as soon as the employee becomes aware or ought reasonably, to have been aware, of the conflict of interest.
3. An employee must declare the conflict by registering and seeking management approval for the conflict via the central register. See point 10 below.
4. Where approval is granted, the approving manager must set out (where appropriate) all steps or processes in place to mitigate the risk presented by the conflict. An example of appropriate mitigation could include an employee being excluded from decision making where the conflict of interest could or could be perceived to influence the judgement or decision making of that employee. Where there is any doubt as to whether a conflict of interest exists, an employee should err on the side of caution and bring the facts of the situation to their line manager or the Ethics team for consideration.
5. Additionally where an employee wishes to take up an appointment as an officer or member of the board of directors of another business, organisation or charity, or engage in any business activity that could create or be perceived to create a conflict of interest with their employment for Balfour Beatty, approval is required from their SBU Managing Director or Head of Function. Senior leadership team members require approval from the Group Chief Executive Officer of Balfour Beatty plc.
6. Approval will usually be given for service as a director or trustee of a not-for-profit organization, a charity or a family company unless it is a potential supplier, customer or competitor of Balfour Beatty.
7. Employees must always:
 - Act with integrity and exercise good judgement and discretion
 - Refrain from using their position with Balfour Beatty to their own personal advantage or the advantage of family, friends or close associates
 - Avoid doing anything that could create the impression to third parties that they can exert influence within Balfour Beatty on any third parties behalf.
8. If applicable, please also refer to the UK Gifts and Hospitality Policy.
9. Failure to comply with this company policy or with the Balfour Beatty Code of Ethics may, where relevant, result in disciplinary proceedings.

10. PROCEDURAL REQUIREMENTS

- 10.1 An employee identifies an actual or perceived conflict of interest. See above and the [Code of Ethics](#) for guidance on what constitutes a conflict of interest.
- 10.2 The employee declares the conflict on the register and seeks approval.
- 10.3 The employee's line manager or other approver together with the Ethics team assesses the impact of the conflict and, where required, agrees actions to mitigate the impact or potential impact of the conflict.
- 10.4 Where requested to do so, each employee should confirm that all declarations of interest have been recorded on the Conflicts of Interest Register.