ROYAL IHC
CODE OF CONDUCT
Dear Colleague,

IHC wishes to be a partner of relevance to our customers by constantly delivering what we have agreed with them: the agreed quality, manufactured with craftsmanship, technically high-quality, operating efficiently, delivered on time and within the budget. Our ambition is to be one of the best companies in the world. However, that will not happen on its own! To achieve this ambition, hard work is required. Not only in an operational sense but also in our day-to-day relationship with one another and with our business contacts.

Our core values indicate what we deem important in this context: commitment, partnership and innovation. IHC chooses to do business honestly and with integrity. Even if that is difficult, seems to be at the expense of a contract, or costs extra time or money. Integrity is not an option but a conscious choice. Even in difficult situations, there is no room for compromise: you must always retain integrity!

How that works and what that means at IHC is described in this Code of Conduct. This applies to everyone who works for IHC. The Code of Conduct provides guidelines in difficult situations and reminds us of the values which IHC represents. Nobody at IHC stands alone if a difficult situation presents itself. There are various ways that issues can be reported and dealt with; and this can also be done anonymously or in confidence if that is necessary.

We are all responsible for ensuring the Code of Conduct is complied with. Therefore, please take the time to read it carefully. In each section, there is an explanation of IHC’s responsibility, as well as what is expected of you and your colleagues. Without exception.

We hope that over time the Code of Conduct will not only prescribe how IHC and its employees should act, but primarily describes how we act. That is the underlying ambition of the IHC Code of Conduct.

The Board of Management,
Gerben Eggink
Paul van der Harten
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The IHC Code of Conduct describes how IHC conducts business, which standards and values apply to IHC and the employees and how IHC assumes social responsibility.

IHC covers all IHC business units worldwide. Employees include both male and female colleagues and everyone who works for IHC, including temporary employees.

IHC encourages questions about the operation and application of the Code of Conduct. Consequently, IHC becomes stronger and better, as well as being able to prevent problems arising.

Employees can ask their supervisor or an HR officer, an IHC lawyer, the Compliance Officer or the Confidential Counsellor questions. Contact details can be found on the IHC Intranet.

- IHC is responsible for bringing the Code of Conduct to the attention of the employees
- every (new) employee receives the Code of Conduct upon commencement of employment or commencement of the work
- every employee has the opportunity, without fear of the consequences, to ask questions in good faith about the Code of Conduct and to report a violation (anonymously)
- IHC responds to questions about compliance with the Code of Conduct.

IHC EXPECTS
- every employee to be familiar and comply with the Code of Conduct
- every employee to follow training in relation to the Code of Conduct, if the job requires this
- every employee to consider compliance with the Code of Conduct as a personal responsibility and a shared responsibility with colleagues. At IHC, employees confront each other if others do not comply with the Code of Conduct
- every employee to stick to the principle ‘See something, say something’.

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INTRODUCTION

Does the Code of Conduct apply to all employees?
This Code of Conduct applies to everyone who works for IHC. That includes all staff members but also advisors, staff who are hired in, and independent self-employed people who work for IHC. The nature of the work or the position within IHC makes no difference.

Are suppliers also bound by the Code of Conduct?
There is a Supplier Code of Code of Conduct for IHC’s suppliers. This includes the relevant principles in this Code of Conduct, translated for the supplier relationship. The Supplier Code of Conduct forms part of the relationship between ICH and its suppliers via the general terms and conditions of purchase and other contracts.

Are there any other rules to be taken into account?
At IHC, there are a series of regulations covering a range of subjects. In the Code of Conduct reference is made to a number of policies relevant to that chapter of the Code of Conduct. The IHC policies are also available on the IHC Intranet.

The Collaboration Principles form another important document. These principles describe how the IHC companies cooperate with one another. The Collaboration Principles are also available on the IHC Intranet.

What should I do if the Code of Conduct does not provide a clear answer?
The Code of Conduct provides a basis and guidance but cannot provide for every situation. If you have any questions, in most cases the best strategy is to consult your supervisor. If this is not an option, there are other possibilities described in the chapter ‘Report it...’ in this Code of Conduct (page 32).

Every act performed by an employee must comply with the Code of Conduct. A bad feeling is the first sign that there might be something wrong. If an act is accompanied by the hope that no one finds out, there is definitely something wrong. Illegal acts, acts that can cause harm to third parties, to the reputation of IHC, to people (health and safety) or to the environment, are without exception reason to be very alert and actively address the issue.
IHC aims to create a situation in which safety, health and the environment are well protected. For the protection of its employees, IHC makes various resources available: personal protective equipment, training, guidelines, health care, safety supervision, improvement processes, etc.

Improving the protection and safety of our employees is an ongoing process. A high level of protection and safety is the result of a culture in which both safety at work and environmental awareness are normal practice. IHC makes an effort to achieve this while every employee is also expected to assume personal responsibility for his or her own safety and that of his or her colleagues. At IHC, it is normal practice for employees to challenge each other to prevent unsafe situations, hazardous conduct and environmentally damaging actions.

The following applies at IHC: NO SAFETY, NO WORK

The following applies at IHC: SEE SOMETHING, SAY SOMETHING

The impact that IHC has on the environment may never exceed the legal norms.

In addition, IHC recognises and endorses the importance of limiting the environmental impact of IHC and the IHC products. The responsible use of energy, working on CO₂ reduction, economical use of raw materials and the prevention of waste are all part of this. Through product innovation, IHC contributes to the protection of the (marine) environment.

IHC’S PROMISE
- safety first
- IHC enables employees to work safely by providing knowledge, training, expertise, resources and preventive supervision
- IHC has safety instructions for the most common work
- IHC enables employees to speak about unsafe situations without fear of negative consequences and to comply with the ‘No safety, No work’ policy
- IHC strives for continuous improvement of safety and the safety culture
- IHC complies with all environmental regulations and legislation
- IHC strives to limit its environmental impact by using raw materials and energy economically, reducing CO₂ emissions, avoiding waste and innovating
- annually, in its Corporate Social Responsibility Report, IHC accounts for its performance in the areas of Safety, Health, Environment & Quality (SHEQ).

IHC EXPECTS
- every employee to bear personal responsibility for his or her own safety and that of his or her colleagues
- every employee to adhere closely to legislation, guidelines and instructions in the area of safety and the environment
- employees to be proactive in asking their SHEQ officer for advice and support about how to deal with health, safety and the environment
- health and safety aspects to be assessed before starting an activity and that safety instructions are used
- that all employees are aware of the safety rules and have the skills and valid certificates for performing the assigned work
- every employee to follow training in the areas of health, safety, the environment and craftsmanship
- that every safety incident is reported promptly and fully
- that no work is performed while under the influence of alcohol or drugs
- that if medicines have been prescribed to employees, it appears tricky, but it might prevent an accident!

Yes, safety can also be improved by learning from near accidents. Therefore these have to be reported as well so that in another case, under the same circumstances of the incident. Whether the incident has been reported at the employee’s own initiative also plays an important part in this; failure to report implies a lack of safety awareness and this increases the chance of disciplinary action.

IHC has the Policy on the Use of Alcohol, Drugs and Medication where further information can be found.

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Q&A
I need a valid certificate to perform the work, but the validity of mine has just expired. Should I perform the work anyway because I have enough experience and I will be getting my certificate very soon?

Updating skills and safety training is a personal responsibility of the employee. IHC supports the employee in this but the ultimate responsibility lies with the employee. In this case, the work must be undertaken by someone else. The employee has to arrange this him or herself.

Can a sanction be imposed on me if I speak up about a possibly unsafe situation?

Every employee has the right and the obligation to check and respond to possibly unsafe situations. This will not result in sanctions. An unsafe situation should provoke a response to prevent an accident. What this response should be (stopping work, making a report, taking measures etc.) cannot be generally set out.

Only by assuming collective responsibility for safety can a safe work climate be created and can IHC provide safety at work.

If a (near) accident is caused by a mistake made by me, what are the consequences if I report this or keep silent?

A difficult situation in which protecting people (preventing a repeat) ultimately prevails. IHC assesses each situation individually. This assessment takes account of several issues such as the degree of culpability (guilt) and the circumstances of the incident. Whether the incident has been reported at the employee’s own initiative also plays an important part in this; failure to report implies a lack of safety awareness and this increases the chance of disciplinary action.

If a colleague tells me that he has been drinking all evening and has a hangover at work; what do I need to do?

If this means that the colleague is a danger to himself or to others, measures should be taken to prevent an accident actually occurring. The colleague should be called to account and possibly stop working. If speaking to the colleague is not an option, you should report the matter to your own supervisor or to the SHEQ manager. This may appear tricky, but it might prevent an accident!

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IHC pledges to its customers that agreements on price, reliability and quality are complied with. Customer focus, delivering on time, within budget, with craftsmanship and knowledge of the business in accordance with the agreements made is the IHC basis for doing business and part of the IHC integrity. In this context, IHC adheres to the concept OSBIT (On Spec & Budget & In Time).

IHC’s Promise
- IHC investigates what the customer needs so it can offer a suitable solution
- in the performance of its work, IHC always strives to comply fully and in good faith with the agreements that have been made
- IHC deploys the necessary resources, people and materials for the performance of the work
- IHC uses professional and knowledgeable staff when performing the work.

IHC Expects
- employees to make every effort to deliver their work on time, within budget and according to the instructions/agreement
- employees to perform their work in accordance with the quality and safety regulations
- employees to inform the management promptly and correctly when there is a risk that an agreement with a customer might not be met
- employees to be actively involved in improving efficiency, improving working methods and reducing costs.

IHC seeks to make a profit while this is sometimes difficult when the Code of Conduct is complied with literally. What is the balance between profit and compliance with the Code of Conduct?
IHC first and foremost strives for the continuity of the organisation and does so, among other things, by making a profit. But also by ensuring customer satisfaction, meaning that customers return for service, parts and follow-up orders. If IHC does not deliver quality or is not reliable, this leads to dissatisfied customers and fewer or no orders. IHC then makes no profit and the continuity is not guaranteed. We can and should always act with integrity, even under pressure.

In order to deliver on time and within budget, the cooperation of the customer is necessary. What does IHC do if the customer falls short?
IHC concludes contracts with the customers that clearly set out the rights and obligations of all parties. IHC complies with its own obligations and it expects the same from its customers and is prepared to hold its customers to account in this respect. The pursuit of customer satisfaction does not mean that the customer is always right or that IHC avoids facing up to the customer.

Q&A

What if something goes wrong and the agreement with the customer cannot be fulfilled?
If there is a chance that an agreement cannot be fulfilled, the management must be told and find a solution. Contracts with customers often contain provisions that give IHC the right to deviate from an agreement. Moreover, not every deviation from an agreement is for the account of IHC. A deviation from the agreements that is detected at an early stage does not necessarily have to have any (major) consequences, but it is important that it is reported so that a good solution can be found, and the consequences for further progress are kept to a minimum.

What is more important: delivering on time and within budget, or safety?
When it comes to employee safety, there is no room for compromise. Perhaps solutions can be devised to achieve the goals without compromising safety. Talk about these issues.
As part of acting with integrity, IHC requires that employees do not have any interests or direct or indirect activities that are (potentially) in conflict or competition with the interests of IHC. Examples of such conflicts of interest are a supplier relationship with IHC, the use of IHC resources for another or an employee’s own company, a sports club, a political movement, a hobby or involvement with external organisations that decide on IHC matters. There is also a conflict of interest if employees use their position at IHC for personal gain. Employees who pursue or achieve personal gain due to their position at IHC may be subject to disciplinary sanctions.

Even in the case of potential conflicts of interest or the appearance of a conflict of interest, the situation falls under this section of the Code of Conduct. That is why in this section the term ‘employee’ is also understood to refer to the family and partner of the employee and in certain circumstances also other people with whom a relationship exists.

In the case of (potential or the appearance of) conflicts of interest, this must be reported. The employee may not be involved in the assessment of the conflict of interest himself.

### IHC’S PROMISE

- if a (potential or the appearance of a) conflict of interest is reported in a timely manner, there will be no positive or negative consequences for the employee. Timely means that none of the parties has already benefited from this situation, and also that the employee concerned is not yet involved
- IHC purchases products and services on the basis of objective criteria such as price, quality, reliability and not on the basis of giving preference to particular parties.

### IHC EXPECTS

- every employee to report a (potential or the appearance of a) conflict of interest at such a time that the (potential or the appearance of a) conflict of interest can be fully taken into account or avoided when taking a decision
- a report about a (potential or the appearance of a) conflict of interest to be submitted in writing to your own supervisor who then gets in contact with the Compliance Officer. HR to keep a register of these notifications
- every employee involved in a (potential or the appearance of a) conflict of interest will refrain from taking part in the decision-making regarding the specific matter
- employees not to use their position at IHC for personal gain
- employees of IHC to purchase products and services on the basis of objective criteria such as price, quality, reliability.

### Q&A

**Can I inform family or acquaintances that IHC is considering purchasing a certain product or service, even if I do not gain anything from this?**

Every employee is obliged to treat IHC matters confidentially and therefore that information cannot simply be passed on. But it may be that IHC might want to do business because of price or quality. If these family members or acquaintances can supply the product or service, the employee may inform the Purchase department in writing about the possible supplier, stating his own relationship with the supplier. The Purchase department then takes over. In this situation, the appearance of a conflict of interest and/or the appearance of personal gain being pursued arises very quickly and this could be at the expense of the employee’s and IHC’s reputation.

Information about the IHC purchasing need is only provided by the Purchase department and never by the employee, who keeps out of the purchasing process and does not provide any information.

**Can I tell a family member or acquaintance about a vacancy at IHC?**

IHC encourages employees to draw IHC’s vacancies to the attention of any potentially suitable candidates, even if that is a family member or an acquaintance. IHC has an Introduction Scheme whereby employees are rewarded if a candidate is employed as a result of their intermediation.

To avoid any semblance of a conflict of interest, an employee introducing a candidate is not involved in the acceptance or assessment of the candidate, nor in the determination of the person’s remuneration.

**There is a long-term business relationship between IHC and a supplier. A good friend has just joined the supplier and IHC is still doing business. How do I deal with this situation?**

This is a difficult situation that must first be discussed with your own supervisor. Together you can consider what the risks are and how objectivity can be guaranteed, as well as whether the matter should be discussed with HR and/or the Compliance Officer. One potential solution could be for a colleague to take over the business relationship. A situation in which the IHC employee is seen to be in a position of favouritism and privilege and is disadvantaged by this should be avoided. IHC purchases on the basis of objective criteria.
Legislation and regulations require companies to compete with each other honestly. Among other things, this means that competing companies must not mutually divide up the market, conclude price agreements or take advantage of their market position.

Compliance with competition law is a basic requirement for IHC. Failure to comply with these rules is not only illegal, but also exposes IHC to very high fines and huge costs. Competition rules are not always easy to apply and IHC employs professional lawyers to advise on this.

When considering or discussing price agreements, market sharing, partnerships with other parties, merging activities, information sharing or company acquisitions, competition law is a factor to be taken into account and Group Legal must be informed in advance.

Employees who engage in activities that violate competition law expose themselves to disciplinary sanctions. This does not apply if an employee asks for advice in good time and in good faith.

IHC’s Promise
- IHC complies with competition law
- IHC does not wish to participate in any way in agreements under which compliance with competition law is not guaranteed or is unclear
- IHC advises and assists employees who have to deal with competition issues while acting in good faith
- IHC provides competition training for employees who need this knowledge
- IHC competes honestly and on the basis of objective criteria such as price, quality, reliability, craftsmanship and reputation.

IHC Expects
- employees to request advice and support proactively at Group Legal about how to deal with competitors and competition in general
- employees not to share information about IHC with regard to projects, costs, margins, profits, contracts, projects, etc. with third parties and in particular not with competitors
- employees not to collect, distribute or use information about competitors unless that information has been demonstrably lawfully obtained
- employees not to engage in agreements about market sharing, customer allocation, prices, delivery conditions, quotations, tender processes, etc.

Q&A
Because profitability is important for the continuity of IHC, is it possible and allowed for IHC to agree with a competitor not to make any offers under the cost price? No, such an agreement violates competition law. Neither is such an agreement valid. If one of the parties does not adhere to it, there are no consequences. And such an agreement can result in penalties being imposed. In other words, an agreement such as this is worthless and illegal and IHC is not allowed to make it.

I can get a pretty good idea of the prices being charged by the competition on the internet where I have created a counterfeit account on the competitor’s web shop. I can adjust the IHC prices to this. Is this all right? And if I get the price list from a customer, is that all right as well?

Gathering information about competitors is allowed provided this is done lawfully. Creating a counterfeit account is unlawful, as is obtaining information that way.

Information that has been lawfully obtained can be used. Exactly what is lawful is not always easy to determine. If in this case the customer sends a price list every week, the employee can assume that the customer also shares the IHC price list with the competitor with the possible result that IHC and the competitor coordinate the prices informally. That is also a competition problem. In such cases, it is essential to consult Group Legal.

The subject of inflation correction and market development is on the agenda of the trade association meeting. Of course I want to know all about this. Is this all right?

Although it is not clearly stated, the topics on the agenda suggest that prices and markets will be discussed. A strong signal to be extremely cautious and to find out exactly what these topics entail. Consultation with Group Legal beforehand is required.

If there is unexpected talk about price agreements and market sharing, the IHC employee must curb his curiosity, leave the meeting immediately, and report the incident to Group Legal.

If an IHC employee suspects that price or market agreements are being made, IHC can report this. Consultation with the Group Legal is required.
Offering, asking, paying or receiving bribes in any form and to anyone is unacceptable. IHC considers any payment, gift or favour that is (or might be) in exchange for confidential information, preferential treatment, a contract award or detrimental to a third party, as payment of bribes. Even if the actual payment of bribes is done through or via another party, this is bribery and is unacceptable. Bribery and corruption cause enormous damage at the expense of society, the local population and public finances.

Bribery and corruption is being fought worldwide with laws and regulations and investigation. It is often brought to light by persons who have direct knowledge of, or were involved in the bribery. The fines are huge and involve the forfeiture of the profits made with the bribery and high fees for legal advice.

The IHC Policy on Intermediaries applies especially to parties that act for or on behalf of IHC, such as sales agents or other intermediaries. Compliance with the IHC Policy on Intermediaries is essential.

- IHC rejects bribery and corruption and takes measures to prevent bribery and corruption
- IHC does not want to be part of any agreements under which there is a risk of bribery and corruption or there is a lack of clarity about this issue
- IHC advises and assists employees who have to deal with bribery and corruption issues while acting in good faith
- IHC has a Policy on Anti-Corruption and a Policy on Intermediaries; both are easy to access on IHC intranet
- IHC provides training about bribery and corruption risks to employees, for whom it is necessary in the performance of their duties
- IHC employees who ask for advice about dealing with the risks of bribery and corruption in time and in good faith will not face any adverse consequences of doing so.
- Employees who violate the Policy on Anti-Corruption may be subject to disciplinary sanctions
- IHC competes honestly on the basis of price, quality, reliability, craftsmanship and reputation and not through bribery or illegal preferential treatment.

IHC expects
- employees not to engage in bribery and corruption
- employees to request advice and support proactively about how to deal with bribery and corruption from the Compliance Officer
- every incident to be reported to the Compliance Officer and the relevant supervisor without delay
- every employee concerned to be familiar with both the Policy on Anti-Corruption and the Policy on Intermediaries and to take the required training (if their job requires this)
- every employee concerned to consider compliance with the Policy on Anti-Corruption and the Policy on Intermediaries as a personal responsibility as well as a shared responsibility with all colleagues
- employees to confront each other if the Anti-Corruption Policy and the Policy on Intermediaries are not complied with.

IHC sells products through agents. How can IHC be sure the agents do not pay bribes from their commission? Before an agent becomes an IHC agent, a thorough background check is done. An agent must comply with the Policy on Anti-Corruption and adhere to it without exception. Payments are only made once strict conditions have been met. In addition to the Policy on Anti-Corruption, IHC also has a Policy on Intermediaries. Contracting an agent or another intermediary should always be done via the Compliance Officer.
What is a usual form of hospitality in one country might be completely different in another country. Nevertheless, IHC sets strict general rules for hospitality that IHC offers and that IHC employees can accept. On the one hand, hospitality involves what is ‘appropriate’, given the situation and the circumstances and, on the other, the intended ‘effect’. Hospitality which is ‘inappropriate’ or can produce the effect of making the recipient feel obliged to do something or feel obligated to someone is neither correct or allowed.

Hospitality that causes eyebrows to be raised, gives the wrong impression and is therefore incorrect. Hospitality that goes beyond that which is normal is therefore also incorrect.

Business hospitality offered by IHC includes receptions, meetings, ceremonies, meals, or a stay in connection to an event.

Hospitality offered to an IHC employee may also be inappropriate or aim to oblige the employee to do something. The aim of this hospitality therefore is an undesired ‘effect’. In extreme situations this can make the employee vulnerable to blackmail. Dealing with hospitality can be difficult, which is why an employee should discuss this issue and not try to solve it alone.

Sponsoring undertaken by IHC must be done via the Corporate Communication department; the CEO makes decisions about sponsoring on the basis of written applications. IHC sponsors various social initiatives. Employees who violate the Policy on Hospitality and Gifts may be subject to disciplinary sanctions. This does not apply if an employee asks for advice in time and in good faith.

IHC considers hospitality that meets the IHC principles part of normal business operations.

IHC advises and assists employees who have to deal with hospitality issues while acting in good faith.

IHC employees who ask for advice about dealing with the hospitality risks in time and in good faith will not face any adverse consequences for doing so.

Employees who violate the Policy on Hospitality and Gifts are exposing themselves to disciplinary sanctions.

IHC has a Policy on Hospitality and Gifts, which can be found on the IHC intranet.

IHC gives training to the relevant group of employees on the subject of appropriate hospitality.

Commercial sponsoring requests on the basis of a written application are answered by the Corporate Communication department.

Social sponsoring and sponsoring requests for charities are, in principle, assessed and handled by the IHC Merwede Foundation.

Employees who request advice and support proactively about how to deal with hospitality.

Every employee concerned to know the Hospitality Regulation and to take the required training.

Every employee to consider compliance with the Policy on Hospitality and Gifts a personal responsibility and a shared responsibility. At IHC, employees confront each other when other employees fail to comply with the Policy on Hospitality and Gifts.

An agent in country X assured me that a potential customer has to come to a trade fair in Houston to discuss an assignment. The condition was that IHC paid for the journey, as well as the four following nights in New Orleans, so he could look round the city. What should I do with this request?

If there is a valid business reason to invite the customer to the trade fair at IHC’s expense, IHC may decide to do so. The wish to enjoy a city trip directly after at IHC’s expense is neither business-like nor appropriate. Fulfilling this wish would give the impression that an attempt is being made to unethically influence the customer or to oblige him to do something. In other words, there are too many unbusiness-like aspects involved for this wish to be complied with.

The agent is unhappy with IHC’s response and is prepared to pay for the city trip himself. Would this make any difference?

Neither IHC nor the agent is allowed to perform any acts that are in violation of the Policy on Anti-Corruption. The agent is therefore not allowed to take over these expenses.
IHC has the employees' personal details at its disposal as part of the business operations. These personal details are necessary within the employment relationship for salary payment, payment of taxes, training administration, staff assessment, etc. IHC does not use the employees' personal details for other purposes than those for which they have been obtained and does not make these details available to any third party for external use. IHC protects personal details by various technical and organisational measures. IHC complies with privacy legislation.

IHC IT RESOURCES FOR PRIVATE USE
IHC advises employees against using IHC IT resources for private use. IHC does not prohibit any reasonable private use, but it does check use for cost reasons and to combat improper and illegal use. IHC IT business resources shall not be used for any other company, political purposes, disseminating pornographic images, racist, sexist or discriminating communications, or any other unethical purposes. IHC uses IT systems and human intervention to check the use of IHC IT resources while complying with privacy legislation. IHC uses IT systems and human intervention to check the use of IHC IT resources while complying with privacy legislation. IHC has a Regulation governing the use of IHC IT resources which explains the conditions under which IHC IT resources may be used. This policy can be found on the IHC intranet.

CAMERA SURVEILLANCE
Some IHC sites are under camera surveillance 24/7 to protect people and property. In principle, IHC does not use surveillance with hidden cameras or similar methods, unless it has reasonable suspicions of any improper, unethical or criminal acts and provided that these methods are permitted within the limits of privacy legislation.

At IHC, the Policy on Privacy applies in which the employees’ privacy protection is set out in further detail.

IHC’S PROMISE
- IHC processes and protects personal details in compliance with the law
- although, within reasonable limits, IHC permits the use of IHC IT business resources for private use, this is advised against
- IHC combats the abuse of IHC IT resources proactively
- the rights and obligations are described in IHC’s Policy on Privacy, which can be found on the IHC intranet.

IHC EXPECTS
- employees to use IHC IT resources exclusively for IHC-related purposes, in principle, and to ensure the use of these resources for private purposes remains exclusively within reasonable limits; moreover, employees must never use these resources for improper or unethical purposes
- employees to realise that communication by means of IHC IT business resources is not considered private communication and that IHC can take note of the content
- employees to indicate clearly that they do not act on behalf of IHC when using IHC IT resources for private purposes
- employees to be familiar with the Policy on the Use of IHC IT resources.

Q&A
Am I allowed to log on to my personal Facebook, Twitter or other social media account from my IHC account, or to perform online payments after having logged on from my IHC account?
IHC allows the use of IHC IT resources for logging on to a social media account, for finding information on the Internet or for making payments. The use of IHC IT resources for illegal purposes (downloading illegal copies) is not allowed; downloading and saving large private files (e.g. films) is not allowed either.

When IHC IT resources are used, for instance for a bank payment, IHC does not guarantee that this payment can be made securely. The employee is responsible and bears the risks of opting to do this by means of IHC IT resources.

Are any affairs which I arrange via an IHC e-mail account really private or can they also be visible to IHC?
This information can be visible to IHC. IHC monitors and checks the use of IHC IT resources to protect the systems, to combat illegal and unethical use, and to control the costs. This is why IHC advises employees against using IHC IT resources for private use. Employees should assume that there is a chance that IHC takes note of the content of private information obtained via IHC IT resources. Further information on this subject is provided in the IHC Policy on Privacy.

What will happen to my personal details?
Employees’ personal details are used within the employment relationship. These include the payment of salary and taxes, administration and payment of pensions, administration of training, performance management, hour registration, surveillance and security, etc. IHC also uses other organisations that process personal details by order of IHC. IHC processes personal details in compliance with the law.
CODE OF CONDUCT

EXTERNAL COMMUNICATION AND SOCIAL MEDIA

External communication on behalf of IHC with the press, supervisors et cetera is exclusively done by designated employees. Other employees leave external communication to the designated individuals ("Spokespersons").

In the event of private use of social media, such as Facebook, Instagram, Twitter et cetera, communication on behalf of IHC or about confidential matters of IHC is prohibited. In all cases in which the reputation of IHC plays a role, external communication shall be in the Spokesperson's hands exclusively.

Every employee is responsible for the way in which he or she communicates about IHC (whether or not via his or her social media account). By using social media, the employee must assume that IHC becomes aware of this or that the content becomes public, possibly through the action of others.

IHC’s Promise
- IHC’s Code of Conduct describes the principles of external communication
- IHC is able to respond very quickly to any developments and news about IHC, using the Spokesperson available for this purpose.

IHC expects
- employees not to act on behalf of IHC in the press, the media, congresses or social media, unless they have permission from the Corporate Communication department
- employees to understand that information posted on social media will become public, that its privacy cannot be protected, and that its content (also after dissemination by others) is the respective employee’s responsibility
- employees not to share confidential information or make statements on their personal social media accounts that could harm the reputation of IHC and other employees. This also implies that employees must treat others with respect and refrain from any negative communications
- employees to ask the Corporate Communication department for permission and advice about putting posts on social media regarding ongoing projects.

Q&A
I am asked to give a presentation on IHC products at a conference. Is this all right?
Such a presentation has to be discussed with your direct line manager and the Corporate Communication department. Additionally, the confidentiality of information needs to be taken into account.

I have noticed there are all sorts of stories about IHC going around on Facebook that are untrue. Can I post a personal reaction?
The reaction to these stories has to come from IHC rather than from an individual employee. Bring the stories to the attention of the Corporate Communication department. They will look at the information and, if necessary, come with a proper response.

A local political party is asking me some harmless factual questions about IHC. Can I answer factual questions? Speaking on behalf of IHC takes place via a small group of designated individuals. Even harmless or factual questions are answered by the Spokesperson from the Corporate Communication department.

Whether these questions are really harmless or factual often only becomes apparent afterwards. The only proper reaction is that you refer those who ask the questions to the Corporate Communication department and the Spokesperson, and that you refrain from giving any information.

In consultation with the Corporate Communication department, I have given an interview in a (trade) journal. Can I approve the article myself? After all, I have given the interview and I know best what was discussed. Ultimately, the article will be approved by the Corporate Communication department. They collect the specific comments and additions, and they keep in contact with the journal. Any photographs also need to be approved by the Corporate Communication department.
All (technical) knowledge, experience and craftsmanship together is a major part of the value and competitive strength of IHC. If IHC shares this information with a third party, IHC must have certainty that it will not be used for improper purposes. In advance a non-disclosure agreement must be drawn up stipulating who the recipients are, the purpose for which the information is being shared, how long the information may be used, and for how long confidentiality has to be maintained.

Disclosing IHC information to any third party without any proper written arrangements in advance can be considered loss or even theft of IHC business secrets. It may also lead to a violation of export legislation, with all its consequences for an employee and IHC.

The decision about sharing IHC business information is made by a supervisor, and is always subject to a signed non-disclosure agreement.

The same applies with respect to confidential information from customers and suppliers. IHC sees to the proper handling of information from customers or suppliers and will enter into a non-disclosure agreement on request. IHC respects any third-party rights concerning confidential information and knowledge.

**IHC’S PROMISE**
- IHC considers knowledge, know-how, patents et cetera a valuable part of the company, which has to be protected against theft, unauthorised use and dissemination
- IHC will share information if this is useful or necessary on the basis of a non-disclosure agreement, which can be obtained from or which has been approved by Group Legal
- IHC respects the rights of other parties regarding the information that they have provided to IHC

**IHC EXPECTS**
- employees to make the decision to share information after the approval from the management has been obtained, subject to a signed non-disclosure agreement
- employees to handle third-party information carefully, in the same way as they handle IHC information.

**Q&A**
My employment will be terminated soon. Can I take the knowledge and know-how I have developed with me in the form of files and documents?
An employee can use the work experience he or she has gained at IHC elsewhere, provided that the employee does not provide any information that is subject to a confidentiality obligation of the employee or IHC. Examples include price information, information on ongoing tenders, (technical) innovation, specifications, designs, R&D procedures, financial details, etc.

Employees whose employment is terminated are not allowed to take any information with them in the form of files, e-mails or documents from and about IHC or transfer these in any form whatsoever.

I have some confidential information from a customer at my disposal, and for purchasing a part or component I have to share this information with a supplier. Is this allowed?
If this is required for the execution of the agreement with the customer, it probably is, provided that the supplier first signs a non-disclosure agreement and the customer has also given his/her approval. Consult Group Legal if necessary.

Is there any objection to my putting IHC files and work documents on my private PC to work on these at home?
If confidential information of IHC or others is involved, this is not allowed since the protection level of the PC is not guaranteed, which leads to a higher risk of loss or theft. Additionally, there is no need to put the files on a private PC, because IHC laptops can be used to work in a flexible way. Nevertheless, if there is any reason to put material onto a private PC, this should be discussed with the supervisor first.
IHC endorses the principle that all individuals are equal and deserve a decent existence. IHC respects human rights and does not tolerate racism, discrimination, intimidation, violence or oppression at IHC. IHC acknowledges that it is active in fields where respect for human rights cannot always be taken for granted, but at all times it will refrain from supporting any activities that are in violation of human rights.

All IHC employees are subject to the IHC safety policy which aims for a safe workplace. IHC does not use any child labour or forced labour. This is monitored via the safety policy.

IHC recognises the right of free trade unions of employees and is available as a discussion partner to acknowledged trade unions. IHC will pay employees in conformity with the provisions of local legislation; the amount of remuneration is intended to enable the employee to enjoy a decent standard of living.

IHC acknowledges that employees have employee participation rights on the basis of local legislation, and IHC strives for a good relationship with these bodies.

**IHC’s Promise**
- IHC considers human rights inalienable and will respect and defend these rights
- IHC aims to offer all IHC employees a safe working environment
- IHC recognises the right of free trade unions of employees and the legal employee participation rights
- IHC is prepared to negotiate and hold discussions with recognised trade unions and/or works councils about any appropriate subjects
- IHC acts in accordance with local labour legislation
- IHC’s terms of employment aim to reward its employees reasonably and in a way which enables its employees to enjoy a decent standard of living
- Neither child labour nor forced labour is acceptable
- Employees to refrain from any form of racism, discrimination, coercion, intimidation or other form of unethical conduct
- The representatives of its employees, such as trade unions and works councils, to enter into reasonable and constructive discussions with IHC prior to calling any strikes, pickets, etc
- The trade unions and works councils to treat any confidential information about IHC with the utmost confidentiality

**IHC’s expects**
- The IHC colleague makes slightly racist comments about other people during working hours. What should I do about this?
  - There is no place for racism within IHC, even when it is not intended to be serious or racist. Racism damages personal relationships. Racism, sexism, intimidation and any other forms of violence are all unacceptable. The ‘Report it...’ procedure (page 32) explains how this should be dealt with within IHC.

When I was visiting an overseas shipyard I noticed bad working conditions. The shipyard also works for IHC. What should I do about this?
- IHC’s suppliers are obliged to treat their own employees with respect and any indications to the contrary should be reported. Subsequently, IHC (SHEQ), together with the Purchase department (Supply chain management), will investigate and follow up these indications.

I would like to propose myself as a candidate for the Works Council. Will that be disadvantageous to my career within IHC?
- No, anything but; IHC encourages employees to participate in participation bodies, such as the Works Council. Participation in any form of works council demonstrates a commitment to IHC, and is the right of all employees; consequently, participation will not negatively impact an employee’s career opportunities. IHC’s aim is to ensure there is a mature and constructive relationship between the company, the Works Council and the members of the Works Council; a relationship which respects each other’s viewpoints and acts in IHC’s interests.
IHC wishes to fulfill a positive role within the communities in which it has activities, taking account of local customs and culture. IHC does this by complying with all legislation, limiting any nuisance factors, providing employment and participating in community/social activities. When recruiting personnel, IHC will ensure candidates from the local community are offered an equal opportunity to compete for jobs. Local suppliers will also have the same opportunity as other suppliers to deliver goods and services.

If there are any changes, incidents or developments at a specific location which could impact the local community, IHC will inform representatives of the local community.

Through the IHC Merwede Foundation, IHC supports initiatives which aim to improve the quality of life of specific communities; it does so with the help of employees and by devoting time, resources and money to these initiatives.

**IHC’S PROMISE**
- IHC will inform the local community about any significant incidents occurring at an IHC location
- IHC will attempt to limit any nuisance factors experienced by a local community due to the presence of IHC
- When recruiting employees and contracting work, IHC will involve the local community and local suppliers.

**IHC EXPECTS**
- Employees to treat the local community and their representatives with respect, taking due account of local culture and customs
- Employees to strive to limit any factors causing a nuisance or hindrance to the surroundings when they are undertaking their work
- Its designated spokespersons to hold discussions with the local communities on behalf of IHC
- Sponsorship requests to be passed on to the Corporate Communications department, if these relate to commercial sponsoring. Requests for social sponsoring and sponsoring of charities are, in principle, assessed by the IHC Merwede Foundation.

**Q&A**

My local network has asked whether IHC will sponsor the local football club. This would not involve very much money. Who decides on such requests?

IHC receives numerous requests for (financial) support, all of which are for benevolent purposes. IHC has made the Corporate Communication department responsible for centrally monitoring sponsorship on behalf of IHC.

There was a considerable leakage at an IHC site and it resulted in an odor nuisance. What is expected of me as far as external communication is concerned?

In such a situation, the site manager should contact both the SHEQ (Environment) department and the Corporate Communication department. They will agree on which local committees should be informed and who the spokesperson should be. The intention is to make contact proactively and be prepared for any questions posed by local bodies, the regulatory authorities or the press. The employees themselves should not make any statements about the situation, but refer any questions to the spokesperson.

Is it okay for me to send an email asking my colleagues at an IHC site to donate money to a local charity?

No, even if an employee does so with the best intentions, it is not permissible to ask for money in this way. Such a request will always be at the expense of the local employees working hours.

In some situations, collecting money and other objects for charity is permissible. However, any such actions must first be submitted to the IHC Merwede Foundation through the Corporate Communication department; the IHC Merwede Foundation may even make a contribution.
Needless to say, honesty and integrity are a basic principle of working for IHC. Everything contained in this Code of Conduct is well-known and self-evident. Despite this, there could be times when adhering to this Code of Conduct does not seem possible or when the right decision is not apparent.

IHC aims to have an open and communicative company culture; one in which asking questions and seeking clarity are deemed normal. Every employee is entitled to say something or, in other words, has the right to ‘Speak Up’. Every supervisor has been instructed and has the duty to listen to questions seriously and attentively and to help solve any dilemmas. Also when these involve matters related to the Code of Conduct which employees have raised in good faith. If an employee finds discussing a matter with his/her supervisor difficult, then contact can be sought with other IHC officers such as senior management, a compliance officer, or an HR officer.

Furthermore, IHC has its own Complaints Procedure. This gives employees the opportunity to submit complaints about all sorts of subjects, even those which are unrelated to the Code of Conduct.

- IHC aims to offer a working environment with an open culture which welcomes questions by means of its Complaints Procedure and its SpeakUp Policy, IHC offers its employees a safe environment in which to raise issues and potential wrongdoing anonymously if desired. Both policies can be found on the IHC intranet.
- IHC will ensure that employees who make a report in good faith will not be unfairly treated as a result of any disclosure.

If I want to submit a complaint or a report, must I follow a set procedure?

Complaints can be about any subject, while reports are about malpractices. However, because IHC wants to encourage the rapid reporting of complaints and malpractices, in the way which causes the employee concerned least difficulty, the employee may personally choose the best method, taking due account of the difference between the two regulations.

When is a complaint deemed to be submitted in good faith?

In the first instance, every complaint or report will be deemed to be submitted in good faith and treated seriously. If an employee submits a series of complaints, submits complaints against a person due to an industrial dispute or makes use of the complaints procedure for any purpose other than that for which it was meant, the complaints may be deemed not to have been submitted in good faith and may be set aside.

It is important to note that IHC aims to offer a working environment with an open culture which welcomes questions. By means of its Complaints Procedure and its SpeakUp Policy, IHC offers its employees a safe environment in which to raise issues and potential wrongdoing anonymously if desired. Both policies can be found on the IHC intranet.

- IHC aims to ensure that employees who make a report in good faith will not be unfairly treated as a result of any disclosure.
- IHC will ensure that every complaint or report that is submitted is dealt with correctly.
- Employees who make a report in good faith will not be unfairly treated as a result of any disclosure.

If I submit a complaint about my supervisor, how do I know this won’t end up on my supervisor’s desk?

Royal IHC will ensure that employees who make a report in good faith will not be unfairly treated as a result of any disclosure. To deal with a complaint fairly, IHC applies the principle of hearing both sides of the argument; consequently, it will want to hear the supervisor’s explanation. No complaint about a supervisor will be shared with the supervisor unless the complainant has agreed to this. If a complaint cannot be followed up without the supervisor being made aware of the complaint and having his/her explanation heard, an investigation may prove impossible and the complaint may be set aside.

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When is a complaint deemed to be submitted in good faith?
IHC has to comply with a large number of laws; furthermore, IHC aims to comply with the laws in all the countries in which it is active. If compliance with the law of one country results in an infringement of the law in another country, then IHC will be guided by the principles of the Code of Conduct, whereby care for mankind, the community and the environment are leading. IHC deems compliance with legislation in the field of export controls and sanctions of the utmost importance. This type of legislation forbids business being undertaken with specific countries, specific products and specific people, as well as for specific purposes. IHC may be simultaneously subject to the laws of several countries, including those of the USA, the European Union and individual countries. Any failure to comply can result in heavy penalties and high fines.

Export controls and sanctions legislation is complex and employees who are involved in the export of products and services to politically sensitive countries and conflict areas, or with products which could (also) have a military use, must always seek advice in this respect from Group Legal.

IHC’s Promise
- IHC aims to achieve complete compliance with legislation and regulations anywhere in the world.
- In both word and deed, IHC will help its employees achieve compliance in general, but particularly in the area of export control and sanctions legislation.

IHC expects
- Employees to proactively seek contact with Group Legal if they are doing business with politically sensitive countries, conflict areas, exceptional parties or with products and services with (potentially) military use.

Q&A
I was involved in the conclusion of a contract for the delivery of product A to country Y. I have read that country Y is now subject to a boycott. Can I still execute the contract because it was signed before the boycott? The fact that the contract was signed before the boycott probably makes no difference. In such a situation, you should immediately seek contact with your supervisor and Group Legal.

A customer orders a part for a ship that is only used for civil purposes. The part is a dual use product (also suitable for military use), but because it is for civil use it can still be supplied. Is that correct? The argument could be correct but it would all have to be proved. To this end, specialist knowledge is required and contact with Group Legal is essential prior to the order being accepted or executed.
A good, complete and accurate administration system is the backbone of IHC. The administration system consists not only of the accounts but also of contracts, reports, lists, inventories, minutes, etc. IHC strives to ensure that all the information is reliable, complete and correct and offers transparent insight into IHC’s financial situation.

All the administrative records and accounts must be stored in a secure place and accessible at all times. IHC strives to ensure the administrative records are stored digitally.

The IHC Policy on Privacy stipulates which, where and for how long administrative records must be retained. Each day, IHC concludes several contracts with customers, suppliers and new employees. Rights and obligations arise from these contracts. Not all employees are entitled to enter into a contract on behalf of IHC. Rules apply within IHC in respect of which people are entitled to sign contracts. A rule of thumb is that the higher the value of the contract, the higher up in the organisation the person signing the contract has to be.

Employees who have not been given authority to sign contracts are not permitted to sign any contracts. If that should happen, it could cause IHC problems, for example because one of the parties to the contract may not acknowledge the validity of the contract.

IHC aims to manage its risks by only giving a certain group of employees (‘Legal Representatives’) the right to enter into contracts on behalf of IHC.

If an employee who has to sign a contract lacks the authority to do so, he/she may request the required authorisation through Group Legal.

IHC’s Promise
- IHC aims to have an accurate, complete, accessible and transparent administration system
- IHC has a limited group of Legal Representatives.

IHC’s Expectations
- Employees to refrain from entering into any obligations on behalf of IHC unless they have the authority to do so
- Employees to share - in time and in full - the information in IHC’s administration system with all the relevant sections of the IHC organisation
- Employees to do their utmost to ensure that the administration system contains factually accurate and complete information
- Employees to save all the administrative information in a way which ensures the information is secure, and can always be easily found by other parties who require it based on their job position.

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- Employees to save all the administrative information in a way which ensures the information is secure, and can always be easily found by other parties who require it based on their job position.

Q&A
I have received a liability statement from a lawyer who has submitted a claim for a large amount of money. The claim is nonsense and I can deal with it myself. Can I keep the letter to myself until the problem has been solved?

No, in exactly the same way as an invoice, a claim has to be processed in the accounts. Not every claim is realistic, but each one has to be known by Group Legal, Finance and the supervisor. Otherwise, IHC will not know its precise financial situation.

I was given permission to bring in a temporary employee. Am I allowed to sign the contract. After all, everything is in order?

Every contract consists of rights and obligations and if a contract is signed by someone who is not a legal representative, it is possible that IHC may not be able to enforce the contract. Consequently, having the contract legally signed is essential and the signature on the contract must belong to a person who has a legal right to sign. In this case, the contract will be signed by someone in HR who has the authority.