



# KWR Water B.V. Code of Conduct

The conduct of the KWR employees should bear the test of public criticism in connection with all its acts and omissions within the frameworks of KWR's vision and mission. The activities of KWR take place within the vigorous infrastructure of the Dutch water world and therefore employees must always act according to clear guidelines. KWR Water B.V. has formulated a Code of Conduct in this respect. KWR demands that its employees and those working for KWR are familiar with this Code of Conduct and the other internal guidelines of KWR and that they apply them.

Any employee who upon applying this Code of Conduct has doubts about the actions to be taken, must contact his or her immediate superior within due time and in advance to consult on this. This person will deal directly, meticulously, carefully and respectfully with all queries about whether the actions to be taken are correct.

The Dutch Corporate Governance Code (the Code), which was published in December 2003, forms a major reason for formulating this Code of Conduct for KWR.

This Code of Conduct applies to KWR Water B.V. and its subsidiaries. Any change to this Code of Conduct or incidental non-application of it should only take place as a result of a resolution of the management board which has been approved by the Supervisory Board of KWR Water B.V.

## Core values

The following core values are central for KWR and its employees:

**Reliability:** we believe in the quality of our products and services and in the integrity of our actions as an Enterprise.

**Openness:** we show who we are, what we believe in, what we do and what our results are.

**Respect:** we serve the interests of our stakeholders (clients, society, employees and shareholders) in mutual combination with each other.

**Professionalism:** we aim for the highest standards in quality, health and availability and where possible we anticipate the needs of our clients. We also provide all our clients with our services and products in an efficient and effective manner.

We consider these core values as essential to our actions as an enterprise. As appears from its mission KWR wants to contribute to the optimization of drinking water supply from source to the tap by high-quality applied scientific research and specialist consulting work. With its many years of experience and scientifically applied knowledge KWR facilitates parties throughout the water cycle. Thereby KWR forms a link connecting all the parties in the water cycle with each other. We do this in the first place for our shareholders, the Dutch water companies, and in the second place selectively for other (inter)national clients in order to strengthen the primary function and our own knowledge position.

## **I. INTEGRITY**

KWR carries out its activities in an honorable and reliable manner, with openness and respect for the interests of those with whom they conduct business. Integrity is essential for KWR's activities and under no circumstance should it be subordinated to the results. This implies that KWR employees or those carrying out activities for KWR, act on the basis of proper entrepreneurship. Acting contrary to the principles of integrity can lead to disciplinary measures, dismissal and civil and/or criminal proceedings.

KWR does not tolerate any fraud, theft, loss by recklessness or waste. Private use of goods owned by KWR is only allowed if the manager explicitly agrees to it.

## II. LAWS AND REGULATIONS

KWR observes the laws and regulations of the Netherlands and of other countries in which it is active. These laws and regulations are numerous and often complex. If in doubt the employee must ask his immediate superior to explain applicable laws and regulations. If necessary, professional external advice will be sought in this connection.

## III. PERSONNEL

KWR wants to be an employer where personnel work with pleasure in an attractive working environment. KWR offers its personnel space for growth and development. In this connection it assumes the power of its employees and their own initiative to achieve results. The recruitment, employment and promotion of employees take place exclusively on the basis of qualifications and capacities.

KWR considers its employees responsible for the proper performance of the job and considers safe and healthy working conditions for its personnel to be of vital importance.

KWR considers good communication between its employees as essential.

## IV. HEALTH, SAFETY AND THE ENVIRONMENT

KWR carries out its business operations with respect for its social and natural environment. That is why KWR asks its employees:

- to be aware of the potential environmental effects caused by injudicious or inappropriate use of products or installations;
- to observe environmental regulations;
- to comply at all times with the applicable health and safety regulations;
- to take effective and preventative measures.

## V. CLIENTS AND (BUSINESS) RELATIONSHIPS

KWR wants to conduct business with its clients and business relationships in a responsible manner. In this connection the following rules of conduct are particularly important.

### • *Bribes*

In connection with contacts with clients and (business) relationships KWR expects that its employees do not provide or accept bribes or other items of value in order to obtain or grant financial benefits. Employees of KWR must immediately reject any request for or offer of bribes or other items of value.

### • *Corporate entertainment*

Accepting and offering corporate entertainment in connection with KWR's business operations is considered acceptable provided this is within reasonable limits.

### • *GIFTS, personal benefits*

With regard to **giving** business gifts of a limited value to persons, a decision must be taken in advance in consultation with the immediate superior of the giver on the basis of local practice and regulations.

With regard to an employee **receiving** gifts or other personal benefits from clients, suppliers or other external parties this is only allowed if these gifts or personal benefits are of a limited scope and if the giver of them does not require any counter performance from the employee or from KWR. Any employee must report in writing to his/her immediate superior the gifts or personal benefits which have been received from clients, suppliers or other external parties.

### • *Relationships*

KWR chooses reliable (business) relationships and this means: a sound financial history, healthy business practices, an honorable management and those business partners applying rules of conduct which are not contrary to KWR's Code of Conduct.

KWR makes use of (business) relationships due to their qualifications (including their good name and reliability) and capacities and expects its partners to work according to a code of conduct that is equivalent to that of KWR. In addition, KWR puts all its arrangements and agreements which are of material importance to it in writing.

## **VI. CONFIDENTIALITY**

KWR treats information it manages as an organization with due care and in an honest manner and will not disclose any confidential information.

## **VII. CONFLICT OF INTEREST**

Employees of KWR will avoid personal activities and financial interests which can prejudice the interests of KWR or which could prevent an effective performance of their duties.

## **VIII. ACCOUNTING AND REPORTING**

KWR records all business transactions meticulously and fully according to the accounting rules applicable at KWR and in accordance with the applicable legislation.

## **IX. MAATSCHAPPELIJKE ACTIVITEITEN**

KWR does not grant any financial support to political parties or to their institutions, establishments or representatives.

Employees of KWR have the opportunity to take an active part in for instance social and educational programmes unless a conflict of interest would arise by participating in these activities.

## **X. ECONOMISCHE MEDEDINGING**

KWR believes in honest and open competition within the framework of the applicable competition legislation.

## **XI. NALEVING**

The management board is responsible for communication regarding and supervision of compliance with this Code of Conduct. In elaborating further on parts of this Code of Conduct the management board can lay down further regulations.

An employee who brings up for discussion in a suitable manner an actual or presumed violation of this Code of Conduct or other guidelines of KWR, will not undergo any disadvantageous consequences unless the respective employee himself is fully or partially the person causing the respective violation.

First version, approved by the Supervisory Board on 9 July 2009.

Second version, approved by the Supervisory Board on 8 July 2010.

I hereby declare that I am familiar with the contents of the KWR Code of Conduct and that I am prepared to act in accordance with it.

Place and date: Nieuwegein,

Name:

Signature: