



# Personal and business integrity policy

## Introduction

**Integrity is crucial in the day-to-day business of Damen. We act in accordance with applicable laws and regulations and the Damen code of conduct wherever we do business.**

Hospitality can play a positive role in building relationships with our customers and other business partners. Sometimes it is also appropriate to offer reasonable gifts, e.g. in the context of (promotional) events, product launches or the christening of a ship. However, as accepting or receiving gifts and hospitality can generate actual or perceived conflicts of interest or be open to abuse, it should occur sparingly and must always be legitimate and proportionate in the context of our business activities.

This policy sets out responsibilities of employees in relation to conflicts of interest, gifts and hospitality and sponsorships and donations. It explains in what circumstances gifts or hospitality may legitimately be given or received and when it is

not legitimate. Employees must apply this policy in good faith to ensure gifts and hospitality are never considered to be excessive, grant an improper advantage or create an actual or perceived conflict of interest.

### Applicability

This policy (and other related compliance policies) applies to all Damen Shipyards Group companies and employees. Management is expected to implement this policy within their business line. Training is provided via the Damen Academy and face-2-face. Ask advice from your peers, management or the Compliance department in case of unclear situations. Breaches of the compliance policies by our employees or business partners are not tolerated. We expect you to report any suspected breach of this policy to your manager and the Group Compliance Officer, in person or via [compliance@damen.com](mailto:compliance@damen.com). The Whistleblower Policy is in place for reporting purposes as well.



Reference is made to the Anti-bribery and corruption policy and Conflict of interest procedure.

## Conflict of interest

### What is meant by a conflict of interest?

Damen employees may have personal, financial, political and other professional interests that are not directly linked with their activities for Damen. As a result a conflict of interest may arise, which means that these activities can influence professional decisions for Damen.

Conflict of interest can occur as a result of:

- A direct personal financial interest (such as shares) in a (potential) Damen business partner,
- Family relations or friends working for or on behalf of a business partner,
- Outside positions
- Family – or close ties with a government official,
- Offering or accepting gifts and hospitality.

A conflict of interest can be assessed as actual, perceived or potential and each category requires a different solution.



Further reference is made to the Conflicts of Interest Procedure.

You can contact the Group Compliance Officer via [compliance@damen.com](mailto:compliance@damen.com).

## Gifts and hospitality

### What is meant by gifts and hospitality?

Each promotional gift, each favour and each form of hospitality (such as travel, accommodation, meals and entertainment) which you offer to, or receive from, a (potential) business contact.

### What are your responsibilities?

You may only offer, receive or accept gifts and hospitality with a business nature. Gifts or hospitality may never influence a business decision or give others that impression. Use your 'professional judgement' to determine whether or not you can offer, give or receive a gift or form of hospitality based on the criteria detailed below.

Criteria for offering or receiving gifts and hospitality;

- **Conforms to the other's rules**  
Check if the other is allowed to offer/receive the gift/hospitality.
- **Complies to local regulations**  
Check what is allowed to offer/receive under local law and regulations.
- **Reasonable**  
Is the gift and/or hospitality reasonable or can it be viewed as lavish or over the top?
- **Appropriate**  
Is the gift and/or hospitality tasteful and decent in the light of cultural and company standards?
- **Legitimate business purpose**  
Is there a legitimate reason for the gift and/or hospitality, e.g. working on the business relationship?
- **Can it be offered/accepted openly and transparently?**  
This criteria raises a red flag if it cannot be met. Question to ask is why it can not be openly and transparently.
- **Within the bid/tender phase?**  
In case you are still working on a contract (bidding, tendering, negotiating) than you should refrain from offering/receiving gifts and/or hospitality that can influence a decision.
- **Something in return**  
Offering/accepting a gift and/or hospitality may not give rise to any expectations or obligations in return.
- **Frequency**  
The frequency of offering/accepting a gift and/or hospitality to/from a third party may lead to improper advantages or expectations or obligations of something in return. A balance should be kept on the frequency to avoid this risk.
- **Books and records**  
A gift or form of hospitality must be properly recorded in our books and records. It can never be given or received in cash or cash equivalents (such as cheques).



Further reference is made to the approval section of this policy, the financial compliance policy and the internal registration form on G&H available via Damenplaza.

## Practical Do's and Don'ts

### DO

- Follow the criteria prescribed in this policy before offering gifts and/or hospitality.
- Politely decline a gift or hospitality that is being offered to you that does not meet the set criteria .
- Consult the Group Compliance Officer for advice in case of questions.
- Register G&H on the internal registration form available on Damenplaza.
- Claim all your expenses in accordance with the expenses guidelines. Make sure you keep a transparent record of your expenses, why they were incurred and for/with whom.

### DO NOT

- Provide gifts in cash.
- Pay for travel and accommodation directly to (someone acting on behalf of) a government official or a private person.
- Book or pay for additional travel days not related to the business contact with Damen, such as tourist destinations or private visits.

## Sponsoring, donations and political contributions

Damen encourages and supports sponsorship activities and charitable donations as long as it does not result in Damen obtaining an improper advantage. Damen does not provide political contributions.

The following criteria apply to sponsoring and donations;

- The goal is of interest for Damen and fits in the defined area of interest as listed in the sponsor and donations policy.
- In accordance with this Personal and Business Integrity policy and Anti-Bribery and Corruption policy.
- The sponsorship or donation does not, directly or indirectly, finance religious institutions, pressure groups, political campaigns, political parties or political candidates.
- Approval levels followed as listed in table 2 of this policy, additional requirements by Communications may be applicable and are listed in the sponsor and donations policy.



Further reference is made to Table 2 under the approval section of this policy and the Sponsor and donations policy.

# Approvals

## When are approvals required?

As set out in the different chapters of this policy approvals must be obtained in specific matters.

For Gifts and Hospitality, a threshold of €100 (or equivalent in any other currency) is set per person per event. Above that threshold approval of the Line Manager and Group Compliance Officer (GCO) or its delegate is required.

## Exception:

In case it concerns a government officials' partner or family member the GCO needs to be consulted for approval.

The below table provides an overview of the different approval levels for Gifts and Hospitality and sponsoring and donations.

Gifts and Hospitality (G&H)	Approval Line manager	Approval GCO
A promotional gift from the Damen webshop, a ship model or a christening gift, regardless of the value.	No	No
G&H with regard to a business relationship with a public or private party with a value below the € 100 per person per event threshold.	No	No
G&H with regard to a business relationship with a public or private party with a value equal to, or higher than, the € 100 per person per event threshold.	Yes	Yes
G&H with regard to a government official's partner or family member, other than normal hospitality (coffee/lunch).	Yes	Yes

Sponsoring and donations	Approval Communications	Approval GCO	Approval Executive Board
Sponsoring and/or donations € <1,000	Yes	No	No
Sponsoring and/or donations € >1,000 - € <10,000	Yes	Yes	No
Sponsoring and/or donations € >10,000	Yes	Yes	Yes
A request of sponsoring and/or donations initiated by or related to a government official, regardless of the amount	Yes	Yes	No

## Questions?

For questions and advice concerning the application of this policy or in case of doubts about a situation, contact the Group Compliance Officer directly or via: [compliance@damen.com](mailto:compliance@damen.com).

## Glossary

For your reference, this section provides you with a brief definition of the most relevant terms which are discussed in this policy or related policies.

### Anything of value

“Any form of benefit.”

### Bribery

“Offering, promising, giving, paying, authorizing, requesting, accepting or agreeing to accept an offer, promise, gift, payment or favour of, anything of value or other advantage in order to influence a business outcome improperly.”

### Charitable contribution

“Anything of value to support charitable causes for the purpose of benefiting society or a community, made without the expectation or acceptance of a business advantage in return.”

### Corruption

“Illegal behavior which enables a person in power to misuse his or her official position for personal gain.”

### Gift

“Any present, offered, promised, given or received.”

### Hospitality

“All forms of social amenity, entertainment, travel or lodging, or an invitation to a sporting or cultural event.”

### Sponsoring

“Contribution to events or activities in some way connected to Damen that can strengthen brand awareness.”

### Political contribution

“Anything of value to support a political ambition.”

### Public official/government official

“All employees of and anyone acting in an official capacity on behalf of any government, governmental agency, government-owned or controlled (commercial) organisation and/or public international organisation.”

The same rules apply to a member of a political party, a candidate for a public position, a member of the Royal family or a person that acts on behalf of the aforementioned bodies (paid or unpaid).

## References

- General business principles/code of conduct
- Anti-bribery and corruption policy
- Financial compliance policy
- Whistleblower policy
- Sponsoring and donations policy
- Conflict of interest procedure
- Internal PBI registration form



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