

The New Delhi Principles

*For Voluntary Codes of Conduct
in the Engineering & Construction Sector*

September 22, 2012

The New Delhi Principles for Voluntary Codes of Conduct for the Engineering & Construction Sector

TABLE OF CONTENTS

I.	Introduction	2
II.	Principles	2
III.	Implementation	4

I. Introduction

Conducting business ethically and with integrity is in the best interest of companies in engineering and construction (E&C), as well as for clients and citizens throughout India and countries in which Indian companies operate. Companies that do not conduct their business appropriately damage their own reputation and competitiveness and that of the whole E&C industry.

To help foster a high-integrity E&C industry across India, the Confederation of Indian Industry (CII), with the support of the U.S. Department of Commerce and Fluor India, has convened an Engineering and Construction Expert Working Group with representation from a broad range of E&C and related industries, to develop a set of Principles for the Engineering & Construction Sector that promote a fair marketplace through ethical business conduct. These principles facilitate an open and transparent business environment free from corruption and undue influence, enhancing the ability of companies to participate in both domestic and global markets.

This document can also help companies develop a practical and effective internal compliance programme for implementing the Principles.

II. Principles

A. Compete Fairly; Act Honestly; Execute with Integrity

The company and its employees (The Company) shall conduct its business honestly and fairly, complying with all local laws and statutes, and not participate in anti-competitive practices including improperly influencing bid specifications, bid rigging, or engaging in the improper exchange of confidential information. It shall deal with customers, suppliers, partners, sub-contractors and competitors professionally, fairly, and based on their competitiveness and capabilities. In turn, the Company expects them to act in a manner consistent with this set of Principles. The Company shall execute its work to the agreed (contractual) standards, not compromise on quality, and meet applicable national and local construction codes and standards.

B. Transparency

The Company shall be transparent in its business dealings, such as declaring any conflicts of interest, or related party transactions, and accurately and completely

represent facts. The Company shall promote compliant and transparent financial reporting.

C. Bribery and Undue Influence

The Company shall prohibit bribery in any form. The Company shall not accept or provide any improper benefits. Entertainment or gifts should be limited to accepted and legally permissible business practices and never with the intent to improperly influence a business decision or to create a conflict of interest or the appearance of impropriety and should take into account the recipient company or organization's policies and procedures. The Company should limit entertainment or gifts with regards to value and frequency, so as not to be construed as an improper inducement.

D. Confidentiality

The Company shall respect and protect the confidential information of third parties and maintain, handle, and process confidential information with utmost care and in accordance with applicable laws. The Company shall not seek confidential information to gain any undue advantage over its competitors.

E. Health and Safety

The Company shall provide a safe and healthy work environment, minimizing exposure to health risks and operate in compliance with applicable health and safety laws.

F. Environmental

The Company shall conduct its operations in an environmentally responsible manner and in accordance with applicable environmental laws. It shall work to limit and mitigate any harm to the environment and protect the quality of life of communities affected by its activities.

G. Treatment of Workers

The Company shall treat all workers with dignity, respect and fairness and shall respect and promote the diversity of the workforce. The Company will operate in compliance with applicable labour laws and practices, e.g., forced or compulsory labour, freedom of association, child labour, and fair work hours and wages.

H. Community Engagement

The Company shall encourage community engagement to help foster social and economic development and will be sensitive to, and respectful of, local customs and practices.

III. Implementation

The Company should develop a programme reflecting its size, potential risks and locations of operations that articulates the values, policies and procedures to be used to enact these Principles.

The key components of the programme should include the following elements:

A. Commitment

The Company and its management must be fully committed to developing and implementing a business ethics compliance programme. This includes the exercise of due diligence to prevent and detect inappropriate conduct and implementation of effective programmes to promote an ethical culture throughout the Company. Senior management (including owners) must be clear in their commitment and, by example, demonstrate their expectation that employees will follow the established policies.

B. Superintendence

The Company should identify a responsible official for superintendence of the Company's compliance with the Principles.

C. Policies and Procedures

The Company should adopt meaningful and relevant policies, guidelines, tools, and systems that are consistent with the Principles.

D. Training and Communication

The Company should provide regular and effective training, communication, and education on the Principles and policies.

E. Monitoring

To ensure compliance, the Company should establish internal monitoring and auditing mechanisms.

F. Raising Concerns

The Company should create safe mechanisms for employees who raise ethical concerns or questions and encourage employees to do so.

G. Business Relationships

The Company should communicate its policies consistent with the Principles to third parties, as appropriate, with the expectation that the third parties will comply with the Principles.

H. Advocacy

The Company is encouraged to advocate for its ethical commitments outside of the Company, including publishing its code of conduct and related policies and sharing best practices. Examples where this information can be shared include annual reports, company websites, and sustainability reports.