

RESPONSIBLE PROCUREMENT

Our people come first. Their welfare is a key priority in everything we do including our procurement. BESIX Group ensures the integration of environmental and social considerations when procuring and sourcing with buyers, suppliers and (sub) contractors. The BESIX Group Sustainable and Responsible Procurement Code of Conduct is the foundation of our good business behaviour throughout the whole value chain.

Code of Conduct Procurement

Based on intrinsic human rights

The BESIX Group Sustainable and Responsible Procurement Code of Conduct, issued in 2013, endorses the Universal Declaration of Human Rights, the International Labor Organization Conventions on prevention of Forced Labor, Discrimination and Child Labor, ISO 9001, ISO 14001 and the Guidance Principles of ISO 26000. Hereby, BESIX Group establishes an overall integration of sustainability considerations with regard to employee and worker conditions and environmental dimensions with our subcontractors reinforcing long-term partnerships and collaborations.

Partners in Frame Agreements with BESIX Group mandatorily sign the Code of Conduct. Moreover, we work as well with our strategic suppliers in order to have their commitment to the BESIX Group Procurement Code of Conduct.

Through quarterly internal Procurement Synergy meetings, including representatives of most of the European Group subsidiaries, internal buyers ensure the follow-up of the Procurement Code of Conduct and establish the priorities in the development of frame agreements.

In 2018, 515 BESIX Group colleagues dedicated to procurement support, and 'part-time' buyers who are involved on a spot basis in the procurement chain, especially on site, were identified. About 93% of them signed the Code (436 signed in 2016 whose 96%).

A Code signed by suppliers

Subcontractors and suppliers who are active on sites with a budget exceeding EUR 25,000 are selected to sign the Code of Conduct.

The number of strategic suppliers decreased to 840 in 2018 (from 959 in 2016), whose 412 signed the Code (59%). Despite these positive results, there is still room for improvement. We are working hard to progress together with our suppliers towards a more sustainable and responsible procurement. By contacting our subcontractors and suppliers regularly, we constantly learn from their feedback. At the same time, we demonstrate the importance of our BESIX Group Procurement Code of Conduct to reach a sustainable supply chain.

Procurement 2.0

Currently, we are also in the process of reorganizing the procurement department towards a more central function. The Procurement 2.0 program has the objective to synergize BESIX Group's way of working and deliver: enable future growth with EBIT increase of 50%, leverage end-to-end parenting advantage of the Group, organize purchasing synergies between projects.

This reorganization will also contribute to a further integration of C&S. Objective to achieve €17M of financial impact from sustainable savings by the end of 2019. The implementation will be phased gradually towards the end of 2020.

KEY FIGURES

+16,000
different suppliers

