

Global Framework Agreement between Fellesforbundet, Norsk Arbeidsmandsforbund/IFBWW and Veidekke ASA on the development of good working relations in Veidekke ASA operations worldwide

1. PREAMBLE

This agreement has been concluded between Veidekke ASA, hereafter referred to as Veidekke, Fellesforbundet (The Norwegian United Federation of Trade Unions), Norsk Arbeidsmandsforbund (The Norwegian Union of General Workers) and the IFBWW (International Federation of Building and Wood Workers).

The agreement is based on the signatories' joint commitment to respect basic human and trade union rights in the community, acknowledging the fundamental principals of human rights as defined in the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD guidelines on Multinational Companies. The parties also commit themselves to achieving continuous improvements within the areas of working conditions, industrial relations with the employees of Veidekke, health and safety standards at the workplace and environmental performance. The parties have a mutual and common responsibility to contribute to the realisation of these goals through an active and constructive cooperation.

This agreement relates to all Veidekke operations. Veidekke will use its fullest influence in order to secure compliance with the principles set out in this agreement also with its contractors, subcontractors and suppliers.

2. CONDITIONS OF EMPLOYMENT

Both parties underline the fact that they respect fundamental human rights and trade union rights, both in the community and at the workplace. The parties also wish to promote these rights in the company's supply chain and with customers.

Within the company's own field of business the manager for each business unit is responsible for ensuring that the following minimum rules and ILO conventions are complied with:

a) Freedom of association and collective bargaining

All workers shall have the right to form and join trade unions of their own choice. These unions shall have the right to be recognised for the purpose of collective bargaining in conformance with ILO Conventions 87 and 98. Workers' representatives shall not be subjected to any discrimination and shall have access to all necessary workplaces in order to carry out their duties as representatives (ILO Convention 135 and Recommendation 143). The employer shall take a positive attitude to trade union activities, including organising.

b) Discrimination

Equality of opportunity and treatment shall be guaranteed regardless of race, colour, gender, religion, political conviction, nationality, cultural origin or other irrelevant factors. Workers shall receive equal pay for work of equal value (ILO Conventions 100 and 111). Employees at subcontractors and hiring agencies are to have conditions at least in line with the present wage agreement regulation.

c) Forced labour

Forced labour, including slave and penal labour (ILO Conventions 29 and 105), shall not be used, neither shall employees be required to pay any deposit or leave their identity papers with the employer.

d) Child labour

Child labour shall not be used. Only workers over the age of 15 - or over legal school age or the age of 18 in connection with hazardous work - may be employed (ILO Conventions 138 and 182). If this commitment is, or has been, violated by Veidekke, the company will ensure that adequate educational opportunities and adequate interim financial support will be given for this purpose.

e) Health & Safety

The parties believe that every employee has the right to a healthy and safe working environment (ILO Conventions 155 and 167). Veidekke is committed to providing this. To achieve industry best practice the company will involve and work with the employees, their representatives and trade unions, to continually improve the company's health and safety performance in compliance with ILO Guidelines for Occupational Health Management Systems. All workers shall be given training on occupational hazards and their prevention. The aim related to health and safety is to eliminate work-related accidents and injuries throughout the facilities of Veidekke.

f) Wages

Wages and benefits paid for a standard working week shall at least be sufficient to cover the basic needs of the worker and his or her family. In no circumstances can wages and benefits be less favourable than those established by national legislation or agreements.

Deductions shall not be made from wages as a disciplinary measure unless otherwise stated in national law or collective agreements. All employees shall receive clear information in writing about the wage scales and deductions from pay before they are employed. Information regarding pay and deductions should be provided to employees each time wages are paid, and these should not be changed other than by written consent of the individual worker or by collective agreement.

g) Employment conditions

Employment shall, as a main rule, be based on permanent employment. Temporary and part-time employees should as a main rule receive the same relative terms and conditions as fulltime permanent employees. All employees shall have the opportunity to take part in relevant educational and training programmes.

h) Working hours

Working hours shall comply with appropriate national legislation, national agreements and industry standards. Overtime shall not be demanded on regular basis and shall always be compensated by overtime bonus.

i) HIV/AIDS

Veidekke undertakes to raise awareness of the HIV/AIDS problem and of the prevention programme in compliance with the ILO HIV/AIDS code of practice and according to policy and practice already established in Veidekke.

j) Toxic substances

Veidekke will continue its active work in preventing and combating toxic substances abuse.

k) Environmental issues

Veidekke ensures that its activities in the best way possible are carried out with the fullest regard for the environment, including taking a precautionary approach to environmental challenges.

l) Skills training

All workers shall have the opportunity to participate in education and training programmes, which are conducted at the respective plant, including training to improve workers skills to use new technology and equipment.

3. IMPLEMENTATION

- a) Veidekke will ensure that appropriate translations of the agreement are available at all workplaces. The agreement will also be made public on Veidekke's website and Intranet.
- b) Both parties recognize that effective local monitoring of this agreement must involve the local management, the workers and their representatives, health and safety representatives and local trade unions.
- c) To enable local representatives to play a role in the monitoring process, they will be given adequate time for training and involvement in the monitoring process. The company will ensure that local representatives are provided with information, access to workers, and rights of inspection necessary to effectively monitor compliance with this agreement.

4. INFRINGEMENTS OF THE AGREEMENT

In the event of a complaint or an infringement of the agreement the following procedure will normally apply:

- a) Firstly, the complaint should be raised with the local site management.
- b) If the complaint is not resolved with local management, it should be referred to the appropriate national union who will raise the issue with the company's regional president.
- c) If still unresolved, the complaint will be referred to the IFBWW Geneva office, which will raise the matter with the company's Corporate Management.

Where infringements are found, these shall be reported to the responsible member of management, who will ensure that relevant corrective measures are implemented.

5. ANNUAL REVIEW

The signatories to the agreement will hold an annual meeting in order to review the principles, practice, effectiveness, and impact of the agreement. The aim shall be to exchange views

regarding the current situation, and jointly develop further good working relations in Veidekke.

At these meetings leading IFBWW / Fellesforbundet, Norsk Arbeidsmandsforbund representatives, the Chief Shop Steward of Veidekke, and representatives of Veidekke Corporate Management will participate. Veidekke will make the necessary resources available for these meetings.

The annual review of the present agreement shall be incorporated into the Veidekke annual reporting with the consent of all signatories.

The original English version of this agreement will apply in all parts and to all interpretations of the agreement.

6. INFORMATION

Fellesforbundet, Norsk Arbeidsmandsforbund/IFBWW will distribute copies of this agreement to all its member unions that organise employees in Veidekke companies world wide, and in cooperation with Veidekke broadly publicise the existence of the agreement.

Likewise, Veidekke will distribute copies of this agreement to all Veidekke locations, their partners and contractors in the language(s) concerned and will inform the local management about the content of this agreement.

7. ADMINISTRATION AND INTERPRETATION

Fellesforbundet, Norsk Arbeidsmandsforbund, IFBWW and Veidekke are responsible for the administration of this agreement.

Questions regarding the interpretation of the agreement shall be resolved in accordance with the procedure jointly agreed to by the parties in point 4 above.

The provisions of this agreement represent minimum requirements applicable to all Veidekke operations, and should be improved where possible.

8. DURATION AND RENEGOTIATION

This agreement was initially entered into 31 March 2005 for a period of 2 years after which it may be terminated, prolonged or renegotiated by the parties.

Veidekke ASA

IFBWW

Fellesforbundet

Norsk Arbeidsmandsforbund