

# **ETHICS AND SUSTAINABLE DEVELOPMENT CHARTER FOR ALSTOM'S SUPPLIERS AND CONTRACTORS**

## **INTRODUCTION**

Sustainable development is a driver of Alstom's strategy. It means strongly and actively responding to Alstom's stakeholders' social needs and expectations and anticipating new environmental, social and economic developments.

By joining the United Nations Global Compact initiative, which invites companies to embrace, support and enact a set of core values in the areas of human rights, employment standards, environment and ethics, Alstom is committed to the highest standards of business conduct and ethics, principles which are outlined here and also summarised in Alstom's Code of Ethics, available on the Alstom website ([www.alstom.com](http://www.alstom.com)).

In addition, Alstom has implemented a sustainable development policy having Sourcing as one of its key components. Alstom therefore requests its Suppliers and Contractors to take part in this initiative by committing themselves in a continuous improvement approach towards the principles listed in this Charter for Ethics and Sustainable Development.

## **PRINCIPLES**

For all the principles listed in the following sections, Alstom's Suppliers and Contractors shall at least be compliant with the United Nations' Universal Declaration of Human Rights, the International Labour Organization's Fundamental Conventions, the Guiding Principles of the Organisation for Economic Co-operation and Development (OECD), the rules of conduct of the International Chamber of Commerce (ICC) and any other relevant international conventions and national and local regulations, which are applicable to their activities in the country(ies) in which they operate. If the principles promoted by Alstom in this Charter for Ethics and Sustainable Development are more demanding, the stricter language will take precedence. Being specified that Alstom could demand at any time to the Suppliers and Contractors to demonstrate their compliance with these requirements.

## **1- LABOUR STANDARDS**

Alstom's Suppliers and Contractors shall in particular comply with the following:

- Elimination of all forms of illegal, forced or compulsory labour;
- Elimination of child labour: Alstom's Suppliers and Contractors shall not employ persons not having reached the minimum age required for work and shall never support the use of child labour, except as part of an official government approved educational youth training scheme;
- Elimination of discrimination of any kind in respect of employment and occupation;
- Compliance with applicable laws and regulations related to maximum working hours and minimum days of rest;
- Compliance with applicable laws and regulations related to the minimum level of wage;
- Respect for freedom of association for their employees, in compliance with applicable laws;
- Compliance with applicable laws and regulations related to layoff.

## **2- ETHICS**

### **• Commitment to Integrity**

Alstom has a firm commitment to conducting business with the highest level of integrity. This Charter for Ethics and Sustainable Development is essential to ensure proper conduct and a successful business relationship with our external partners. Alstom's Suppliers and Contractors shall strictly comply with all applicable legal requirements related to their activities and business environment and with Alstom's commitments to international conventions. These Ethics & Compliance principles will be applied to the management of interactions between Alstom and its suppliers and contractors.

### **• Prevention of Corruption and Bribery**

Alstom prohibits all unlawful payments and practices. We reject corruption in all of our business transactions and we are fully committed to complying with all applicable anti-corruption laws and regulations in the countries where we are present. Bribes, kickbacks and money laundering are strictly prohibited. A bribe or kickback is the giving or accepting of money, fees, commissions, credits, gifts, favors, or anything of value that is either directly or indirectly provided in return for favourable treatment. We expect our suppliers to adhere to these same prohibitions when conducting business.

### **• Gifts and Hospitality**

Suppliers and contractors should refrain from offering gifts and hospitality to Alstom employees. Alstom will refuse all gifts and hospitality that are not of reasonable, modest and symbolic value, nor occasional, transparent and cannot be reciprocated.

- **Conflicts of Interest**

A conflict occurs when your private interests interfere – or appear to interfere with the interests of Alstom. Your company should base its business decisions on your company's needs, rather than on the personal interests of your employees, the interests of family or friends, or any other reason that creates a conflict which could impact either party's objectivity. In this regard, be aware that any personal business relationships that you or your company may have with an employee, supplier, customer or competitor of Alstom should never influence the decisions you make on our behalf.

- **Compliance with Competition Law**

Competition laws ensure that companies compete fairly in the market. Any agreement with competitors that has the purpose or effect of fixing prices, distorting a bidding process, sharing markets or customers, limiting production or boycotting a customer or supplier is prohibited. In your capacity as a supplier supporting Alstom, if you are required to gather information about our competitors, only gather such information from public sources freely available to others. Never spy or steal in order to obtain proprietary or confidential information.

- **Data Privacy**

All suppliers will undertake to collect and process all personal data in compliance with Alstom policy, current data protection laws and regulations applicable to the processing of this data in the specific jurisdiction where services are provided. Any personal data handled by suppliers will be processed only on behalf of Alstom and suppliers are not permitted to use personal data on their own behalf or on behalf of a third party.

### **3- ENVIRONMENT**

Alstom's Suppliers and Contractors shall implement and/or pursue initiatives that contribute to the preservation of the environment and mitigation of their impact on natural resources.

Alstom's Suppliers and Contractors shall limit the amount of waste material generated from their operations and ensure the disposal of such waste in a manner that is respectful to the environment.

Alstom's Suppliers and Contractors shall avoid the use of hazardous substances. In the event no alternative is available, Alstom's Suppliers and Contractors shall ensure their safe handling and disposal. Alstom's Suppliers and Contractors shall promote the development of environment friendly technologies (e.g. controlling pollutant, CO2 emissions, etc.) as well as energy saving and recycling solutions, and implement logistics strategies that minimise environmental impacts (notably with respect to storage, transshipment and transportation).

### **4- OCCUPATIONAL HEALTH AND SAFETY**

Alstom's Suppliers and Contractors shall ensure that their activities are safe for the health of their employees, their own contractors, the local community and the users of their products.

Alstom's Suppliers and Contractors shall adopt a proactive attitude to health and safety issues. Risks linked to their activity shall be identified, evaluated and either eliminated or mitigated.

Alstom's Suppliers and Contractors shall respect specific obligations as well as other measures referring to health monitoring record keeping and exposure limits from the use of Carcinogenic, Mutagenic and Reprotoxic substances (CMR) and Asbestos or material containing Asbestos. Alstom's Suppliers and Contractors shall not supply any product / mixture / chemical that would not comply with Alstom's hazardous substances requirements.

Alstom is working actively to continuously improve the safety of all people working on its sites or the site of its customers. When performing work at sites, Alstom's Suppliers and Contractors are expected to achieve high standards of occupational health and safety, because people's physical integrity (safety) may be at stake. In this respect, Alstom's Suppliers and Contractors are responsible for immediately notifying the existence of any abnormal situation observed to the relevant Alstom managers at the affected site.

When a contract involves high-risk activities, Alstom's Suppliers and Contractors shall commit to meet the specific Alstom safety requirements provided by Alstom, available on [www.alstom.com](http://www.alstom.com).

## **5- PRODUCTS AND SERVICES**

Alstom's Suppliers and Contractors shall integrate eco-design principles into the development of their products and services in order to eliminate or mitigate negative environmental, health and safety impacts from their products during their life cycle, while maintaining and/or improving the quality of usage of their products. Consequently, Alstom's suppliers shall seek, develop and propose low environmental footprint solutions i.e. being energy and material efficient, hazardous substances free, low noise emissions, easy recyclable solutions and any other relevant solutions.

Suppliers shall prove that their products comply with the regulations related to the use of hazardous substances (RISL Railways Industry Substances List – <http://www.unife.org/railway-industry-substance-list.html>) and in particular with the REACH European Regulation (1907/2006/EC) for the European market. (Related documentation available on [www.alstom.com](http://www.alstom.com))

Alstom's Suppliers and their Sub-Contractors shall never use prohibited substances in any equipment and packaging supplied.

Alstom's suppliers and sub-contractors that produce/supply goods containing tin, tantalum, tungsten or gold (3TG) commit to supporting Alstom in implementing a responsible supply chain in reference to the OECD Due-Diligence Guidance for Responsible Supply Chain of Minerals from Conflict-Affected and High Risk Areas.

Alstom's Suppliers and sub-contractors commit as a consequence to require from their own suppliers similar commitment in order to establish a chain of custody to the smelters and refiners.

## **ALERT PROCEDURE**

Suppliers and Contractors may use the Alstom Alert Procedure if there is reason to suspect a violation of the Code, Alstom rules and policies, or the law. Use of the Alert Procedure must be in accordance with the laws and regulations applicable in the country where a reporter lives or works. There are 2 methods by which you may contact us, 24 hours per day, 7 days per week, 365 days per year:

- The secure website: [www.alstom.ethicspoint.com](http://www.alstom.ethicspoint.com)
- Toll-free hotline (dial in numbers by country available on the secure website)

## **IMPLEMENTATION AND CONTINUOUS IMPROVEMENT**

This Charter for Ethics and Sustainable Development constitutes an integral part of all contractual documents entered into between Alstom and its Suppliers and Contractors.

Alstom requires its Suppliers and Contractors to hereby represent and warrant to cascade the principles contained in this Charter for Ethics and Sustainable Development to their own suppliers and contractors and to implement a similar continuous improvement and compliance approach.

By adhering to this Charter for Ethics and Sustainable Development, each Supplier and Contractor of Alstom accepts to be assessed or audited by Alstom or by a third party mandated by Alstom on the above-mentioned principles. Compliance and improvement towards the above-mentioned principles is part of Alstom's Suppliers and Contractors overall assessment. Suppliers and Contractors shall freely determine their appropriate improvement action plans to increase their performance in the field of sustainable development.

Since Alstom is building its relationship with its Suppliers and Contractors in a continuous improvement approach, Alstom may support its Suppliers and Contractors in the definition and implementation of action plans aimed at improving their performance in the fields envisaged by this Charter for Ethics and Sustainable Development.

I HEREBY ACKNOWLEDGE that I am an authorized representative of the company referenced below, have carefully reviewed and understood the substance of the above document, and confirm that this company is in full compliance with Alstom's Charter for Ethics and Sustainable Development.

Supplier Company Name: \_\_\_\_\_

Supplier representative name (Block Capitals): \_\_\_\_\_

Title of supplier representative (Block Capitals): \_\_\_\_\_

Date: \_\_\_\_\_

Signature and company stamp

Original copy to be signed and sent back to Alstom sourcing manager