

Bombardier Supplier Code of Conduct

ABOUT BOMBARDIER

Bombardier believes that a strong commitment and a strategic approach to corporate responsibility are essential for managing the challenges and opportunities of a rapidly changing global environment.

To that end, Bombardier deployed a Corporate Responsibility Roadmap that enhances Bombardier's strategy for managing its business in a sustainable manner. Among the announced initiatives in its roadmap is Bombardier's decision to become a signatory to the United Nations Global Compact, a voluntary initiative that promotes business leadership in support of the Global Compact's ten principles in the areas of human rights, labour standards, environment and anti-corruption.

Therefore, in line with Bombardier's vision for its suppliers, Bombardier wishes to actively engage its supply chain by the adherence of all its suppliers to its Supplier Code of Conduct (herein the "Supplier Code") that has been developed with recognition of the ten principles outlined in the United Nations Global Compact.

Bombardier places substantial value upon suppliers who support and respect the internationally proclaimed human rights contained in the Universal Declaration of Human Rights, such as equality, life and security, and freedom.

LEGAL COMPLIANCE

The provisions of this Supplier Code set forth Bombardier's expectations from all suppliers with whom it does business. Therefore, Bombardier expects the supplier and any of its subsidiaries or affiliates to comply with its principles.

Although the Supplier Code only applies to Bombardier's direct suppliers, Bombardier encourages the supplier to invite its own suppliers to comply with its terms.

The supplier and its employees are expected, as a minimum, to comply with the requirements set forth in this Supplier Code or with the provisions of the laws and regulations in each jurisdiction(s) where the supplier operates, whichever is more stringent.

LABOUR

Bombardier expects the supplier to comply, as a minimum, with all applicable local laws and regulations related to labour and employment including, but not limited to, minimum wage, maximum hours of work, days of rest, compensation, freedom of association, right to organize and collective bargaining.

Furthermore, Bombardier expects the supplier to comply with the following principles:

Child Labour

Bombardier will not engage in nor support the use of child labour. The supplier is expected not to use child labour. By child labour, it means employees under the age of 15 years old. However, for employment or work which by its nature or circumstances is not suitable for a person under the age of 18 years old, child labour shall mean employees under the age of 18 years old.

Forced or Compulsory Labour

Bombardier will not engage in nor support the use of forced or compulsory labour. The supplier is expected not to exact any work or service from any person under the menace of any penalty. For example, the supplier's employees must be free to leave work or terminate their employment with reasonable notice, and they are not required to surrender any government-issued identification, passports or work permits as a condition of employment.

Freedom of Association

The supplier is expected to recognize the principle of freedom of association and the right to collective bargaining.

Respect and Dignity

The supplier is expected to treat all employees fairly, ethically, respectfully and with dignity. The supplier must protect its employees from harassment, bullying and victimization in the workplace, including all forms of sexual, physical and psychological abuse.

Discrimination

Bombardier supports diversity and employment equity. The supplier is expected to offer equal employment opportunities and compensation without any discrimination, unless such discrimination is based on the inherent requirements of the job or in the course of a program to promote diversity.

HEALTH & SAFETY

Bombardier provides a safe workplace to its employees. Bombardier expects that the occupational health and safety of employees is a priority for the supplier throughout all significant aspects of its activities. As a minimum, the supplier must comply with all applicable health and safety laws, regulations and standards. The supplier shall take appropriate action, such as policies, standards, procedures, contingency measures and management systems, in order to prevent occupational illnesses and work-related accidents and to provide a safe and healthy workplace to its employees.

Bombardier encourages the supplier to:

- ❑ communicate to its management, employees and contractors its commitment to improving health and safety, and to provide training on such commitment;
- ❑ apply for and maintain OHSAS 18001 or equivalent certification; and
- ❑ systematically evaluate its health and safety performance through appropriate audits and report progress.

ENVIRONMENT

Bombardier conducts its operations in a sustainable way and in compliance with the environmental laws and regulations. Bombardier expects that environmental protection is a priority for the supplier in all significant aspects of its activities. As a minimum, the supplier must comply with all applicable environmental laws, regulations and standards. The supplier shall strive to reduce the impacts of its activities and products on the environment and work towards a "total life-cycle" view in product design, while maintaining its competitiveness.

The supplier shall:

- ❑ adopt any appropriate policy, standard, procedure, contingency measure and management system in order to ensure that its operations are managed ecologically and in a sustainable way; and

- ❑ take necessary measures in order to prevent pollution, to conserve and use rationally the natural resources required for its operations and implement relevant emergency response plans and procedures.

Bombardier encourages the supplier to:

- ❑ communicate to its management, employees and contractors its commitment to improving environment, and to provide training on such commitment;
- ❑ apply for and maintain ISO 14001 or equivalent certification; and
- ❑ systematically evaluate its environment performance through appropriate audits and report progress.

ANTI-CORRUPTION

Bombardier promotes integrity and ethics in all aspects of its activities. Bombardier expects the supplier to comply with all applicable laws and regulations on corruption, bribery, prohibited business practices and extortion. Furthermore, the supplier must never make or approve an illegal payment to anyone under any circumstances.

CONFLICT OF INTEREST / ETHICS

The supplier must disclose any actual or potential conflict of interest, and discuss it with Bombardier's management. Any activity that is approved, despite the actual or apparent conflict, must be documented.

GOVERNANCE

Bombardier may verify the compliance of all its direct suppliers with the Supplier Code. Such verification will be conducted by way of a supplier's self-evaluation or an audit by Bombardier (or an external resource designated by Bombardier) who may visit the supplier's facilities with appropriate notice.

Compliance with the principles contained in the Supplier Code is a criteria that is taken into consideration in Bombardier's supplier selection process.

Whenever a situation of non-compliance is identified, Bombardier may work with the supplier to develop and implement a corrective plan to improve the situation. Bombardier will continue to develop monitoring systems to assess and ensure compliance with the Supplier Code.

Bombardier encourages the supplier to:

- ❑ implement policies, procedures, tools and indicators necessary to ensure compliance with the principles listed above;
- ❑ commit to the principles of the United Nations Global Compact; and
- ❑ participate in a Corporate Social Responsibility ("CSR") network (e.g. United Nations Global Compact [unglobalcompact.com], European Association for CSR [csreurope.org], CSR Asia [csr-asia.com]).

Responsibility of the Supplier

As a supplier of Bombardier, the supplier's role begins, but does not end, with understanding this Supplier Code. If any ethical or legal compliance issues arise that raise any questions, the supplier has the responsibility to bring them forward.

To raise a concern, the supplier can call the Bombardier Compliance Officer at +1-514-861-8870 or send an email to compliance.office@bombardier.com. His function is to ensure that all raised compliance issues through any channels offered to the supplier in this Supplier Code are resolved quickly, fairly, and at the proper level in the organization.

In addition, an independent and confidential reporting system is available, 7 days a week, anywhere around the world. Its website and call centre services are offered in multiple languages [ethicspoint.com]. The supplier can find the toll-free number for its country on the Bombardier website.