

SUPPLIER CODE OF CONDUCT



PREFACE

SNCB, an essential service provider in the field of mobility, is resolutely committed to sustainable and responsible social development. Its core activity, passenger rail transport, makes SNCB a key player in sustainable development in Belgium. Moreover, in 2017 SNCB identified four values which form the DNA of the company and which combine expertise, modernity and change (Professionalism, Respect, Entrepreneurship and Cooperation) ('PROS' in Dutch). The value 'respect' means respect for our colleagues, our customers, our partners, and our environment, from a sustainability perspective.

SNCB is a member of the UIC (International Union of Railways) and through this membership it has undertaken to uphold 10 moral and ethical principles taken from the United Nations (UN) Global Compact. As a public company, SNCB wants to represent added value for the economy in general, for all citizens and for the environment. For these reasons, SNCB would like its trading partners to adhere to its standards and values summarised in a supplier's code of conduct (hereinafter 'the Code').

SNCB's current and future suppliers are required to comply with this Code when they do business or enter into contracts with SNCB. This Code must be seen as a commitment on the part of the Supplier, and its subsidiaries, subcontractors or affiliated entities. When the term "Supplier" is used in this Code, it refers to all the actors referred to above. This commitment is in addition to any other similar contractual provisions already in force.





SUPPLIER

It is the responsibility of the Supplier to take all necessary measures and precautions to ensure that its employees, suppliers, subsidiaries and recruitment agencies comply with the principles of this Code.

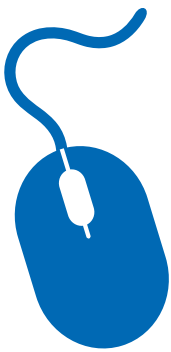
By complying with the commitments laid down in our Code, the Supplier undertakes to enter into long-term, ethical and respectful commercial relations with SNCB.

CONFORMITY AND CONTROL

The Supplier undertakes to respect human rights (as laid down in the Universal Declaration of Human Rights), as well as the principles set out in the Conventions of the International Labour Organization. It also undertakes to comply with all other international, European, regional or local laws in force. In the event of discrepancies between national legislation and the standards of this Code, the latter takes precedence. SNCB reserves the right to verify compliance with this Code at any time and without prior notice. The Supplier undertakes to provide SNCB with all necessary information to enable it to verify compliance with this Code.

In addition, the Supplier must also play a proactive role and, where appropriate, must be willing to implement innovative solutions to improve its performance in terms of sustainability and compliance with this Code.

SNCB has an internal audit service that can perform certain inspections. If the Supplier informs SNCB of a possible conflict of interest, attempted corruption, a breach of confidentiality of data or any other serious proven act of non-compliance with the provisions of this Code, it must contact the competent SNCB department:



Compliance & Investigation Office

10-02 B-11
Rue de France 52-54
B-1060 – Saint-Gilles

Email: Code@b-rail.be

SNCB also reserves the right to request, at the Supplier's expense, an internal evaluation or an evaluation by an independent body acting on behalf of SNCB regarding compliance with this Code and all of the following sustainability aspects:

- Environment
- Labour practices
- Health and safety
- Fair trade practices
- Sustainable purchasing

Suppliers entering into commercial and contractual relations with SNCB are bound by strict compliance with the provisions of this Code. Failure to comply with this Code or to act following a negative evaluation therefore constitutes a breach of the Supplier's contractual obligations and may result in the termination of the agreement between the Supplier and SNCB. SNCB may also terminate an agreement if a Supplier refuses to provide information on its compliance with this Code or refuses to take part in an evaluation.

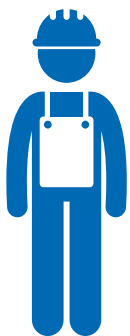
We also inform our Suppliers that SNCB employees must comply with the "SNCB Code of Conduct" and the "Code of Ethics". The Supplier must respect the obligation of SNCB employees to comply with these two Codes. Among other things, these Codes govern the aspects relating to gifts and benefits offered to employees.

TRIPLE ENGAGEMENT PEOPLE, PLANET & INTEGRITY

A - PEOPLE

The Supplier undertakes to observe all the principles of the Conventions of the International Labour Organization, and to prohibit a whole range of practices laid down in these Conventions (some of which are expressly described below).

- **Forced labour and child labour** The Supplier prohibits forced labour, prison labour, compulsory labour and child labour. It undertakes to prohibit all forms of involuntary work on the part of its staff. Employees are free to leave their jobs with a reasonable notice term, and are not required to deposit money or identity documents. In accordance with the laws and regulations, employees cannot be of school age and must in any case be at least 15 years old. The best interests of the child take precedence over all other considerations. If the Supplier employs young persons, it must demonstrate that it is taking all necessary measures not to expose them to situations that are dangerous or unsafe for their physical and mental health and development.
- **Excessive working hours and non-compliance with minimum wages** Working conditions, including working time, and the corresponding wages must be presented to workers in a transparent and understandable manner. The Supplier must comply with national legal standards regarding the level of remuneration (wages and social benefits). In no event can the Supplier withhold wages as a disciplinary measure. Within its business, the Supplier must ensure compliance with the applicable laws and mandatory industry standards relating to normal working hours and overtime, including breaks, rest periods, holidays, pregnancy and maternity leave and paternity leave.
- **Discrimination and cruel or degrading treatment** The Supplier prohibits all forms of discrimination in dealing with its employees (recruitment, remuneration, access to training, promotion, dismissal or retirement) and its customers. 'All forms of discrimination' refers to discrimination based on: ethnic, national or social origin, apparent race, caste, religious or philosophical beliefs, disability, sexual orientation, gender, gender identity, civil status, family situation, age, affiliation with a trade union, political convictions, or any other reason that could lead to discrimination. It also undertakes to treat its employees in a fair and respectful manner. It shall not apply or tolerate any form of corporal punishment, mental or physical coercion or punishment of its employees, including sexual harassment and verbal abuse.
- **Respect for freedom of association and the right to collective bargaining** To the extent provided for by applicable laws and regulations, all employees are free to decide whether or not to join trade unions or similar representative organisations. The Supplier undertakes to tolerate dialogue and social consultation by taking a receptive attitude towards trade unions, trade union activities and trade union representatives. Membership of, or involvement in, an employee's organisation may under no circumstances give rise to practices such as discrimination, harassment, intimidation or reprisals.
- **Regular employment in safe and hygienic conditions** The Supplier must ensure that only employees who are authorised to carry out a work activity are employed on its premises, and must verify this against the relevant documentation. The employment relationship must be based on a contract. This relationship must be recognised as such by national legislation and practices.



In addition, the Supplier must ensure that this professional activity takes place in a safe and healthy working environment. For example, employees must be given the possibility to express their views and any concerns they may have about poor working conditions or the deterioration thereof, without exposing themselves to possible threats of reprisals or intimidation.

The Supplier must provide its employees with certain basic necessities: drinking water, lighting, suitable temperatures and ventilation, sanitary facilities and personal protective equipment adapted to the fully-equipped workstations. It is the responsibility of the Supplier to anticipate and therefore take all initiatives that it deems necessary to prevent accidents in connection with the performance of the work (adequate training, equipment, etc.).



B - PLANET

The Supplier must share and adhere to SNCB's commitment to a clean and safe environment. It must encourage initiatives to foster a preventive approach to environmental issues, heightened environmental responsibility and environmentally friendly technologies. It must comply with the recognised local and international legal environmental regulations.

SNCB is a member of the 'Railsponsible' initiative, which unites various railway operators and major companies from this sector at international level. The aim of this initiative is to improve the sustainability of the supply chain and the procurement process in the rail sector. This success of this objective depends on fruitful collaboration between railway companies such as SNCB and their suppliers, in other words, you!

Within the framework of its collaboration with SNCB, the Supplier must document and develop a relevant environmental management system in order to identify, control and limit significant environmental impacts and demonstrate the continuous improvement of its environmental performance. In this regard, the Supplier must ensure, for example, that it has the methods and means at its disposal to prevent and limit accidental discharges and the release of substances into the environment.

The Supplier must share the same environmental concerns as SNCB and demonstrate this by using natural resources responsibly and economically (e.g. water, energy sources, raw materials) and by minimising noise, waste and emissions to air, water and soil.

Negative environmental and climate impacts must be minimised or eliminated at source through practices such as making changes to production, maintenance and installation processes, replacement, conservation, material recycling and re-use.

Finally, in its interactions and negotiations with SNCB, the Supplier must not hesitate to propose alternative and sustainable solutions and to bring SNCB up-to-date with the latest developments in this area. However, these solutions must always comply with the contractual documents and specifications drawn up by SNCB, which set out SNCB's requirements.



C - INTEGRITY

The Supplier undertakes to condemn and combat all forms of corruption, including extortion and bribery. In accordance with the legislation in force regarding public contracts, the concept of 'conflict of interest' is intended to cover any situation in which a member of staff involved in awarding or performing the contract, or any other person associated with SNCB, has a direct or indirect financial, economic or other personal interest which is likely to compromise their impartiality and independence in awarding or performing the contract. Such conflicts of interest, as described above, must be prohibited and shall under no circumstances be tolerated by SNCB.

The Supplier must also respect the confidentiality of data provided by SNCB in the context of commercial relations. In this respect, SNCB reserves the right to request the Supplier to sign a non-disclosure agreement before disseminating certain information and/or documents.

The Supplier must comply with the law, must not commit (fiscal) fraud and must specifically refrain from any form of distortion of competition, tax evasion and money laundering. It must also refrain from and prohibit any attempt to influence, corrupt, subordinate or extort SNCB's staff (Procurement and other staff) involved in the decision-making process or in the performance of contracts.

Finally, the Supplier must set up an internal system that makes it possible to lodge a complaint anonymously, as well as a report and management of the aforementioned points.

