

## SUSTAINABLE GROWTH & ETHICS SUPPLIERS CHARTER

Valeo has been a member since December 2003 of the United Nations Global Compact program, as part of its commitment to contribute to a more sustainable and inclusive global economy.

The Global Compact program is an international initiative set up in 2000 by the United Nations.

Based on the principle of collective action, Global Compact aims to **promote corporate responsibility towards society** and help the business community contribute to **finding solutions to the problems of globalization**.

In subscribing to this program, Valeo confirms its undertaking to respect, apply and value a number of principles in the areas of:

- **human rights:**
  - o support and respect of the protection of the freedom of internationally proclaimed human rights
  - o assurance of no complicity in human right abuses
  - o elimination of discrimination in respect of employment and occupation
- **labor standards:**
  - o support of the freedom of association and recognition of the right to collective bargaining
  - o elimination of all forms of forced and compulsory labor
  - o effective abolition of child labor
- **environment:**
  - o support of a precautionary approach to environmental challenges
  - o promotion of greater environmental responsibility initiatives
  - o encouragement of the development and diffusion of environmentally friendly technologies

Valeo expects suppliers to adhere the same high standards of social responsibility. In particular, Valeo will make the respect of this code of ethics a decisive criterion in the management of its suppliers.

Following are the statements Valeo expects its suppliers to strictly respect.

### **Human Rights**

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Valeo wishes to deal with suppliers that **value and respect all forms of human rights**.

Valeo rejects any complicity with disrespect of human rights; the company will privately and publicly condemn any systematic and continuous human rights abuse.

Valeo and its suppliers work together to fight **against discrimination and harassment** in all of its forms, including that related to color, race, gender, sexual preference, age, pregnancy, caste, disability, union membership, ethnicity or religious beliefs.

Moreover, Valeo suppliers have to ensure a **safe and healthful workplace** to their workers. Similarly, forced labor is strictly prohibited. Compulsory labor is any work or service that is extracted from any person under the menace of any penalty, and for which that person has not offered himself or herself voluntarily.

## **Labor Standards**

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Valeo is particularly vigilant in ensuring that its suppliers comply with the fundamental principles of international labor law.

Valeo wishes its suppliers to respect the **freedom of association and collective bargaining**: Being with independent trade union organization or other employee representatives, the exercise of collective bargaining provides opportunities for constructive rather than confrontational dialogue; This results in benefits to the enterprise (the supplier), which is positive regarding its clients (Valeo).

Valeo also expects its suppliers to respect the legal local **working time**, when it comes to work hours per week and average hours worked overtime.

Valeo has as goal to **abolish child labor** within its sphere of influence. That's why Valeo expects its suppliers not having recourse to child labor in ways that are socially unacceptable and that lead to a child losing his or her educational opportunities.

In other words, no child should be employed below the age of completion of compulsory schooling and in any case not less than 16 years. On the other hand, the minimum age for hazardous work is higher at 18 years.

## **Environmental indicators**

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Valeo encourages its suppliers to **implement environmental management systems** to ensure continuous improvement and specific measures to prevent pollution, minimize toxic and greenhouse gas emissions, seek ways to use and produce products that are environmentally friendly, and ensure land development and operations address community concerns and biodiversity conservation.

Suppliers should keep in mind that avoiding environmental impacts through pollution prevention and ecological product design increases the efficiency and overall competitiveness of the company and also may lead to new business opportunities.

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It is not only the responsibility of Valeo supplier to comply with Valeo's Code of Ethics, but also Valeo's responsibility to avoid or cancel its business with any supplier which would not respect - or no longer respects - this code, as soon as Valeo becomes aware of it.

Indeed, any employee who suspects that a violation of the Ethics Policy has occurred is obligated to report it to his or her management.

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For more information on sustainable development, click below to visit Global Compact web site:

[www.globalcompact.org](http://www.globalcompact.org)