

## **2.3. SUPPLIER CODE OF CONDUCT**

### **1. Mission of EUROFIMA**

EUROFIMA European Company for the Financing of Railroad Rolling Stock is a supranational organization located in Basel, Switzerland. It was established in 1956 based on an international treaty signed by 25 European sovereign States so far. EUROFIMA fulfils a non-profit maximizing mission to support the development of rail transportation in Europe. It supports its shareholder railways as well as other railway bodies in renewing and modernizing their equipment.

### **2. Sustainability at EUROFIMA**

The goal of promoting sustainability is at the core of EUROFIMA's public mission. Supporting the growth and development of passenger rail transport is key to addressing the problem of CO2 emissions attributable to the transportation sector and to reducing overall energy consumption. As countries across Europe work to meet the sustainability targets outlined by Europe 2020 and by the COP21 agreement, EUROFIMA is determined to serve as a partner to its Member States in fulfilling their objectives.

EUROFIMA recognizes that sustainability ranks high among the priorities of its activities. By following its Environmental and Social Policy and its Green Bond Framework, EUROFIMA improves the predictability, transparency and accountability of its actions. EUROFIMA recognizes that taking environmental and social aspects into account is part of good business and leads to sustainable development. EUROFIMA believes that with this approach economic growth and a healthy environment go hand in hand.

### **3. ESG in the supply chain**

EUROFIMA is strongly committed to delivering its services in an ethically, environmentally and socially sustainable way and in compliance with all relevant national and international laws, rules and regulations. This supplier code of conduct reflects EUROFIMA's approach to this commitment and follows the internationally recognized environmental, social and corporate governance ("ESG") standards.

EUROFIMA also expects its suppliers to live up to these high standards and to fully comply with the principles and standards as defined in this document. We also expect our suppliers to use their best efforts to ensure that their suppliers and subcontractors also adhere to the respective ESG standards.

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EUROFIMA's Supplier code of conduct is based on the following laws, rules and regulations:

- The United Nations Global Compact Principles
- The United Nations' Universal Declaration of Human Rights
- The ILO (International Labor Organization) Declaration on Fundamental Principles and Rights at Work
- Rio Declaration on Environment and Development, and the
- United Nations Convention Against Corruption.

EUROFIMA has derived its ESG guidelines from the relevant regulations above and expects its participating suppliers to:

### **Environment**

- Comply with all applicable environmental laws, regulations and standards
- Demonstrate a thorough understanding of the environmental risks related to the products and services they provide
- Use an environmentally responsible approach when choosing materials and processes, where practicable
- Establish and maintain a culture of constantly mitigating and reducing such risks
- Support the development and usage of environmentally friendly technology
- Commit to minimize the usage of limited resources such as energy, water and raw materials. Where possible renewable or sustainably sourced resources should be used
- Use environmentally friendly means of transport
- Demonstrate a commitment to minimizing negative environmental impacts
- Operate a systematic approach to planning, monitoring and evaluating their own environmental performance

### **Social**

- Ensure compliance with all relevant legislation, regulations and directives in the country in which they operate
- Respect and support internationally proclaimed human rights and providing equal opportunity in all aspects of employment
- Protect against and prevent forced labor (including modern slavery and human trafficking) and child labor
- Allow the freedom of association and the right to collective bargaining in accordance with applicable laws
- Treat all employees with respect. No employee shall be subject to corporal punishment, physical, sexual, psychological or verbal harassment or abuse
- Comply with applicable health and safety regulations. At a minimum, employees should be protected from hazards, including chemical, biological, electrical, and physical

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- Ensure that any living facilities provided for personnel are safe and clean and meet the basic needs of personnel
  - Provide a workplace free of sexual harassment or discrimination due to age, marital status, disability, pregnancy, gender, race, background, religion or sexual orientation
  - Pay all employees at least the minimum living wage or a wage that meets the local industry standards
  - Follow applicable laws and regulations with respect to maximum working hours and minimum days of rest. As per the ILO Conventions, companies should commit to a maximum of 8 hours per day or 48 hours per week.

### **Governance**

- Adhere to all applicable national and international trade laws and regulations (e.g. anti-trust, trade controls and sanction regimes)
- Avoid any kind of conflict of interest and improper practice such as bribery, corruption and money laundering
- Act with integrity, upholding highest standards of ethical practice
- Prohibit gifts to private or public officials that aim to influence business decisions nor influencing them in order to act in contrary to their obligations
- Respect all international intellectual property rights
- Protect and respect the privacy and confidential information of all employees and business partners

It is very important to EUROFIMA that its suppliers follow the guidelines as stated in this document. EUROFIMA commits to engage with suppliers if they violate our rules or the United Nations Global Compact's principles. EUROFIMA reserves the right to discontinue any relationship for non-adherence to these principles and/or failure to correct violations.