



# **Responsible Purchasing Charter**



### **Introduction:**

Beyond the obligation to comply with a constantly evolving normative and regulatory framework, ESI aims to reaffirm and strengthen its commitment to act ethically and responsibly. The group strives to promote its values both within its organization and wherever it develops activities.

Therefore, the group has developed a charter to support its suppliers so that they comply with legislation on corporate social responsibility (social, environmental, and ethical), whether national, European, or international.

Suppliers are required to ensure that all their own subcontractors, suppliers and partners working on behalf of the group comply with the charter.

### **Definition:**

ESI Group is the parent company of a multinational group. To refer to all the entities in this group, the term ESI will be used.

### **Objective:**

The purpose of this charter is to describe ESI's expectations in terms of Ethics and Compliance with respect to third parties (hereinafter referred to as the "Partners") and to offer them advice on how to act in our many areas of operation. The guidelines and standards contained in the charter complement ESI's sustainability requirements for its suppliers (i.e., the sustainability criteria included in the supplier evaluation form). This charter is a guide to ethical business practices that will ensure fruitful and sustainable collaboration.

### **Application:**

This Charter shall enter into force from 17 October 2022.

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## Part 1: Human Rights and Working Conditions

ESI respects the Universal Declaration of Human Rights, supplemented in Europe by the Charter of Fundamental Rights of the European Union, the European Convention on Human Rights and recognizes all these rights to its stakeholders (employees, customers, etc.). ESI expects the same from his suppliers.

ESI suppliers must ensure compliance with the fundamental conventions and protocols of the International Labor Organization.

### 1- The fight against discrimination and the promotion of equal opportunities.

Discrimination consists of favoring or disfavoring an individual because of some of his or her characteristics or personal choices.

Suppliers must ensure that no distinction, exclusion, or preference is based on color, sex, age, language, religion, sexual orientation, or identity, national or social origin, opinion, or disability or any other form of discrimination recognized by local or international law.

It must pay particular attention to discrimination in terms of access to employment and career paths (access to training, promotion, termination of contract, retirement, etc.). This vigilance must cover all forms of discrimination, whether direct or indirect.

### 2- The elimination of forced and compulsory labor

ESI strongly condemns modern slavery in any form (human trafficking, withholding of identity papers, violence and threats, debt bondage, etc.).

Suppliers undertake to respect the same level of requirement.

### 3- The elimination of child labor

Suppliers must ensure the non-use of child labor.

The International Convention on the Rights of the Child defines a child as any person under the age of 18 unless the age of majority is reached earlier under applicable law.

For ESI, a child is considered to be a child if she/he has not yet reached the age of completion of compulsory schooling, or the minimum age required to work in the country where she or he lives and may not be lower in all circumstances than 16 years.

In any event, Suppliers must ensure that all employees under the age of 18 shall not perform any work that could be dangerous or harmful to them (health, safety, morality of the child).

### 4- Occupational safety and health:

Suppliers must ensure that their employees work in a safe and healthy environment, just as ESI does.

Suppliers are encouraged to identify the risks associated with their activities and to take measures to prevent accidents and injuries and to ensure healthy, safe, and dignified working conditions and environment for their own staff.

This includes the dissemination of appropriate safety information, the transmission of which must be reinforced in the event of dangerous situations.

All of the supplier's employees have the right to benefit from a health and social protection system in accordance with the local legislation in force.

### 5- Salary, rest, and decent working conditions

Suppliers must undertake to comply with the rules in force concerning the right to the payment of a decent and regular salary, to rest and to legal benefits, rights conferred on any employee.

This includes the respect of a maximum number of weekly working hours and respect for the weekly rest period.

Employees of suppliers must be paid at least the minimum wage and benefit, where appropriate, for overtime worked in accordance with local laws and regulations.

In general, ESI reaffirms that the well-being of the employee must be taken into by suppliers, which implies decent employment conditions.

### 6- The promotion of social dialogue

Suppliers must ensure freedom of expression, freedom of association and the right to collective bargaining are respected.

## Part 2 - Ethics of Business Conduct and Governance

### 1- Data privacy

Suppliers must not, under any circumstances, use any proprietary or confidential information they may have received in the course of their business relations with ESI, unless the latter has given its prior consent.

Sensitive information includes all intellectual property rights and privileged information.

Suppliers may not use sensitive information to perform, directly or through a third party, transactions in the Group's listed securities or to guide the negotiation of contracts with third parties.

Suppliers must deploy a secure IT system to prevent digital attacks or potential data leaks.

Individuals have the right to the protection of their personal data. The processing of personal data by Suppliers must be carried out in accordance with the General Data Protection Regulation (GDPR), any other laws and regulations that may exist locally and the contractual provisions described in general conditions of purchase; <https://www.esi-group.com/fr/general-purchasing-conditions>

### 2- The fight against corruption

"Corruption is a conduct/behaviour by which a person (public official or private person) requests or accepts directly or through an intermediary a gift, offer or promise, presents or benefits of any kind with a view to carrying out, delaying, or failing to perform an act directly or indirectly within the scope of his or her duties in order to obtain or maintain a commercial or financial advantage, or to influence an administrative decision."

ESI strongly condemns any form of corruption, extortion or money laundering and applies a "tolerance zero" in this regard.

In particular, suppliers agree not pay bribes or engage in any act of corruption (including through facilitating payments, excessive gifts and hospitality, or donations) in their business relations with their customers, suppliers, members of the administration or any other related person.

Suppliers and their subcontractors must comply with applicable laws, guidelines and regulations that set forth obligations to combat corruption, influence peddling, conflicts of interest, money laundering or any other practice that constitutes corruption, in particular the Sapin II Act, the UL Bribery Act and the Foreign Corruption Act. For non-taxable persons, processes appropriate to their size and risk should be put in place with a view to preventing any act of corruption during its activities, including the implementation of transparent management and the keeping of accounts in accordance with the applicable rules and provisions.

### 3- Compliance with competitive practices

Suppliers undertake to compete in a healthy and fair manner on the market, respecting the law laws and regulations on competition. They must refrain from participating in any anti-competitive practice whatever its form (illegal cartel, in particular on prices, abuse of a dominant position, etc.).

### 4- Compliance with economic sanctions

Suppliers undertake to respect and follow the regulations on economic sanctions including the control of exports, imports, embargoes, and other restrictions (taxes, quotas, credit freezes, etc.).

As part of the business relationship, suppliers must guarantee that they will declare any sanctions to which they are or would be subject.

### 5 Establishing a lasting and balanced relationship with suppliers

ESI wishes to place the business partnership with its suppliers in a sustainable value chain that promotes a balanced relationship.

ESI ensures to participate in the development of the territories in which it is established and wishes that its suppliers will do the same. To that end, they must:

- Create an ecosystem relationship that contributes to their development while ensuring that exchanges with established local stakeholders and the territorial impacts of their activities are properly managed.
- Seek to develop economic activity close to their area of influence.

## Part 3 - Environmental Responsibility

ESI seeks to reduce its environmental impact by taking into account the sustainability of its action.

Within the frame of its environmental performance improvement initiatives, ESI expects suppliers to integrate environmental issues into their activities to offer environmentally friendly products and services.

Suppliers must ensure that their practices allow:

- The sustainable and rational use of energy and natural resources (water, raw materials, etc.).
- The promotion of eco-design.
- The implementation of logistics processes to reduce their production of greenhouse gases.



## **Part 4 - Supplier Adherence**

### **1-Implementation and continuous improvement**

This Charter is an integral part of the Purchasing Processes and is generally aimed at companies or entities with a large purchasing volume or strategic importance in the ESI's value chain.

Suppliers undertake to implement all the means necessary to ensure compliance with the principles set out and to relay these provisions to their own suppliers, including in countries that are not signatories to the conventions of the International Labor Organization where they would have to work.

ESI reserves the right to conduct audits or evaluations for the purpose of supplier qualification and in the event that any practices inconsistent with the principles supported in this Charter are detected. ESI reserves the right to ask the supplier to implement corrective actions.



## 2-Signature

We hereby confirm:

- That we have received and acknowledge of ESI's Responsible Purchasing Charter.
- That we are committed to the implementation of these principles and that their non-compliance may be considered as a breach of our obligations, which could lead, depending on the seriousness of this non-compliance, to the termination of commercial relations.
- That we will therefore inform all our direct suppliers and encourage them to follow these principles.

Company Name:

Done at

Date

**Authorized Signatory:**

Name:

Title:

Signature and stamp of the company:

If you have any questions, you can contact us via the following email address:

[csr.esigroup@esi-group.com](mailto:csr.esigroup@esi-group.com)





**Useful links:**

[General terms and conditions of purchase of ESI](#)

[ESI Ethical Charter](#)

Declaration of Human Rights

- Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87);
- Right to Organize and Collective Bargaining Convention, 1949 (No. 98);
- Forced labor Convention, 1930 (No. 29) (and its 2014 Protocol);
- Equal Remuneration Convention, 1951 (No. 100);
- Discrimination (Employment and Occupation) Convention, 1958 (No. 111);
- Abolition of Forced Labor Convention, 1957 (No. 105);
- Minimum Age Convention, 1973 (No. 138);
- Worst Forms of Child labor Convention, 1999 (No. 182).