



OUR

# GENERAL PRINCIPLE

FOR SUPPLIERS RELATIONSHIP

• 2018 •



## INTRODUCTION

**W**ith operations on five continents, Veolia works with many suppliers of goods, products and services throughout our suppliers<sup>1</sup> the world. As a responsible company, we expect **and our chain of value to share and comply with the general principles for suppliers' relationship laid out in this document.**

**You are a supplier and/or subcontractor of the Veolia Group or you wish to become one:**

Compliance with the general principles for suppliers' relationship is one of our selection criteria that we use to evaluate your situation. It means:

- complying with these principles throughout the supply chain and ensuring compliance with them in your activity and by your own suppliers;
- complying with the applicable law;
- taking into account the recommendations made following assessments, implementing corrective action plans if needed, and involving your own suppliers in this process.

For this purpose, this document, as well as the specific contractual clauses, will be incorporated in tenders, bidding process and purchase and subcontracting contracts.

Veolia is entitled to evaluate and monitor its suppliers regularly and to penalize them in the event of non-compliance with the general principles for suppliers' relationship (non-participation in subsequent tenders or termination of contract).



<sup>1</sup> Suppliers and subcontractors

**R** egarding business practices<sup>1</sup>, Veolia requires its suppliers to conform with the following principles:

- comply with the Group's procurement process and management procedures;
- provide clear and consistent communication and comply with the process for communication with the supplier's dedicated contact person (the supplier must inform Veolia's Procurement Departments about the status of its relations with the users of its products and services within the Group and ensure that it provides all the information required to prevent any risk of non-compliance with the commitments of the contract or any other problem encountered with the Group or an employee);
- ensure that they do not find themselves in a situation of dependency with regard to the Veolia Group;
- ensure the confidentiality of the information exchanged with the Group, especially by establishing non-disclosure agreements;
- negotiate honestly and fairly with Veolia;
- ensure the adoption of rigorous standards of conduct.

**The Veolia Group requires its suppliers to prohibit offering to a collaborator any form of solicitation for gifts or invitations:**

- in a secret manner or by an unknown person or person who is not clearly identified;
- received in the form of cash or cash equivalents (e.g. gift checks or tradeable items);
- that breaches an applicable local rule (especially due to its amount, nature, the person who issues the gift or invitation, or the person who receives the gift or invitation);
- improper.

<sup>1</sup> Employees are asked to refer to the Group's Ethics Guide and the anti-corruption Code of Conduct.



## HEALTH AND SAFETY

Veolia has a group health and safety policy, and takes active measures to prevent occupational risks and to strengthen safety in each of its entities. The commitment of our suppliers is essential for continuous improvement in the achievement of this goal.

*The supplier undertakes to implement an equivalent policy, including in particular the following:*

- the safety rules applicable at the place of work;
- the delivery of products and services in conditions that minimize the risks to the health and safety of its workers, as well as of Veolia's workers; and
- the implementation of continuous improvement process on working conditions and health and safety of its employees.

The supplier's commitments on these matters will be defined in a contractual clause<sup>1</sup> between the supplier and Veolia.

<https://www.veolia.com/en/csr-performance/services-essential>

<https://www.veolia.com/en/csr-performance/fundamental-human-and-social-rights>

<https://www.veolia.com/en/csr-performance/health-and-safety>



<sup>1</sup> Through this clause, the supplier undertakes to adopt measure to ensure the physical and psychological integrity of its workers in accordance with the applicable local and international regulations.



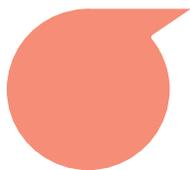
## PREVENTION OF CORRUPTION AND CONFLICTS OF INTEREST



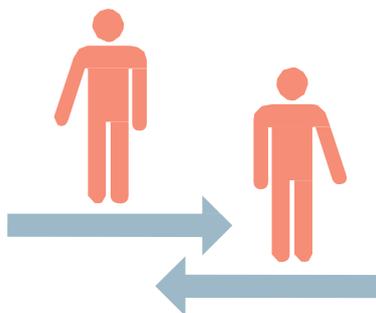
- Establish reasonable statutory processes and measures (provided by the law) to inhibit and prevent corruption.
- Adopt legitimate and fair business practices (methods and means generally recognized as consistent with good practices in the profession, in compliance with the law).
- Select suppliers and subcontractors after conducting an appropriate due diligence.
- Ensure the adoption of exacting standards of conduct in order to prevent and avoid situations of conflict of interest.

The commitments of the supplier on these matters will be defined in contractual clauses<sup>1</sup> between the supplier and Veolia and may also be monitored on a daily basis through an evaluation system.

<sup>1</sup> Veolia has established and deployed, for its various countries of operation, contractual clauses whereby each supplier commits to ethical principles, the prevention of corruption, human rights, health, safety and the environment.



## COMPLIANCE WITH COMPETITION LAW



*Comply with competition law, which prohibits in particular the following:*

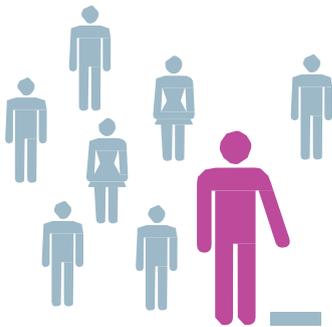
- arrangements or practices between companies that could be detrimental to competition;
- abusive conduct from of a company that occupies a dominant position in a market.

The supplier must freely determine its business and industrial policy, as well as its prices, without sharing any commercially sensitive information with competitors (especially in the context of professional meetings, association meetings or benchmark meetings).



## HUMAN RIGHTS AND FUNDAMENTAL LABOR RIGHTS

**A**s a French group operating in many countries, Veolia is committed to applying and ensuring compliance with its human rights policy among its employees, as well as promoting that policy among its other stakeholders, customers, subcontractors and suppliers. Veolia expects its suppliers to conduct their activities with respect for human rights, in accordance with the principles laid below.



### > **Non-discrimination**

- Veolia prohibits all practices that constitute discrimination or harassment.
- All of the Group's suppliers must guarantee equality of opportunity, respect for diversity and recognition of the talents of every individual in an environment where harassment, abuse or any other form of treatment contrary to respect for human dignity are prohibited.

### > **Child labor**

In accordance with the commitments made on the basis of the fundamental principles of the ILO and the United Nations Global Compact, Veolia strictly prohibits the labor of children who have not reached the legal working age. This applies throughout the entire value creation chain, regardless of the country where the services are performed.

*If no minimum age is fixed for a given country, this age may not be less than 16 years.*

In its Ethics Guide, Veolia confirms this position and extends it to the criteria for the selection of its suppliers through a sustainable development clause.

## > Forced/compulsory labor

- Veolia prohibits forced or compulsory labor of any kind whatsoever: servitude, trafficking, slavery, or the retention of migrants or illegal workers by unlawful means.
- The work must be carried out voluntarily in exchange for legal compensation and without exposure to threats or actual criminal sanctions or penal proceedings, violence, detention, the withholding of identity documents or the suppression of legal rights or privileges.
  - Workers must be free to consent to a job and to resign in accordance with applicable laws and regulations and collective bargaining agreements.

## > Working conditions

- Veolia requires its suppliers to comply with regulations and rules of labor law that apply in each of the countries where the Group operates: standards governing health, social and security benefits, in order to benefit of a safe and healthy environment.
- Every employee must be treated fairly and with dignity.

<http://www.tremplin-handicap.fr/veolia/>  
<https://www.veolia.com/en/veolia-group/profile/csr-performance>



*The respect of human rights is an essential condition for the development and sustainability of business activities.*

**Antoine FREROT**

*Chairman & Chief Executive Officer*

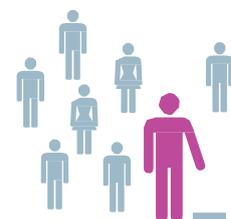
## > Salaries and employee benefits

- Suppliers must ensure that the compensation paid to their employees complies with all the laws applicable regarding salaries (minimum wage, overtime, etc.).
- If the laws and regulations do not specify a minimum wage, suppliers must compensate their employees in accordance with the minimum current rate salary on the market for the position concerned.

It is important to note that for countries not covered by legislation, Veolia requires its suppliers to control the impact of their activities. To this end, the supplier undertakes to establish measurement and control systems and, in general, to pay particular attention to the inherent risks relating to health, safety the environment.

The supplier's commitments on these matters will be defined in contractual clauses<sup>1</sup> between the supplier and Veolia and may also be monitored on a daily basis by means of an evaluation system.

<sup>1</sup> Veolia has established and applied, for its various countries of operation, contractual clauses whereby each supplier commits to ethical principles, the prevention of corruption, human rights, health, safety and the environment.





## ENVIRONMENT



*Veolia's aim is to establish responsible relations with its suppliers and involve them in its environmental practices.*

Environmental and social concerns form an essential part of Veolia's procurement policy from the very beginning of the supplier selection phase. For this purpose, Veolia expects suppliers to conduct an analysis that takes into account the notion of global cost. This is used to define a long-term vision of the economic, environmental and/or social aspects of a purchase. The product is returned to its environment in accordance with its functions and life cycle. In particular, this vision enables it possible to integrate supplier's innovation and to identify opportunities for optimizations.

The supplier's commitments on these matters will be defined in a contractual clause<sup>1</sup> between the supplier and Veolia.

<https://www.veolia.com/en/csr-performance/natural-resources>

<https://www.veolia.com/en/csr-performance/climate-change>

<https://www.veolia.com/en/csr-performance/biodiversity>

<https://www.veolia.com/en/veolia-group/profile/csr-performance>

<sup>1</sup> Through this clause, the supplier undertakes to comply with the applicable rules (local, national, international) regarding the protection of the environment, to take the necessary actions to limit the impact of its activity on the environment, and to establish an environmental management system.



## TAXES: PLACE OF TAXATION

*Veolia's suppliers are all companies who file their returns and pay their taxes in the place of their operations.*





## CSR COMMITMENTS

### *Veolia has a Sustainable Procurement policy.*

For this purpose, the Group expects its suppliers to comply with the rules of ethics and social security law, to take care of environment protection, and to inform Veolia of the current status of their actions regarding sustainable development, undertaking to update them on an annual basis.

If necessary, buyers may request suppliers and subcontractors to take corrective actions, conduct evaluations (in the form of questionnaires and/or evaluations conducted by Veolia or third parties), and to undergo audits performed by internal teams or by external providers or third-party bodies.

The supplier's commitments on these matters will be defined in a contractual<sup>1</sup> clause between the supplier and Veolia, and this document will be supplied via the e-sourcing process when a tender is opened.



<sup>1</sup> Veolia has established and applied, for its various countries of operation, contractual clauses whereby each supplier commits to ethical principles, the prevention of corruption, human rights, health, safety and the environment.

Consult our reference texts:

- Ethics Guide
- Anti-corruption Code of Conduct
- Guide to managing and minimizing criminal risk exposure in group operations
- Competition law compliance guide
- For employees: our internal processes
- Group vigilance plan pursuant (cf Veolia registration document)

For more information about the Group's commitments and values:

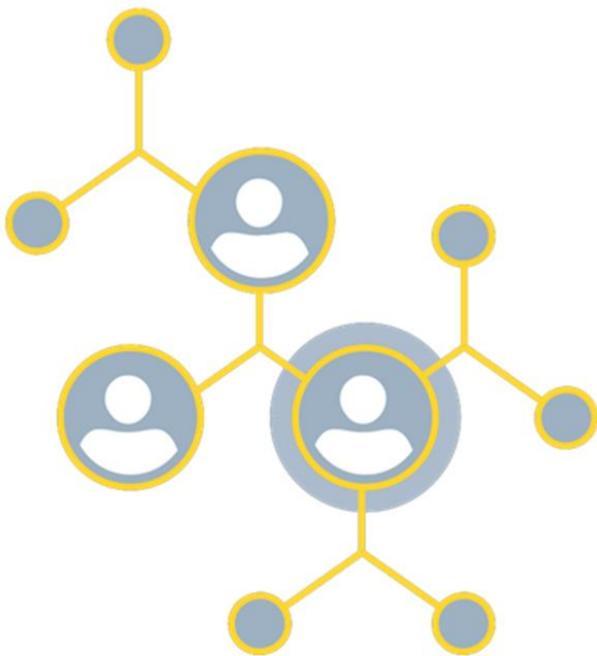
<https://www.veolia.com/en/veolia-group/profile/Ethics-and-values>

Employees are asked to refer to the Group's Ethics Guide and the anti-corruption Code of Conduct.

Don't hesitate to contact us:

- Mediator for supplier relations:  
[mediateur.fournisseurs.ve@veolia.com](mailto:mediateur.fournisseurs.ve@veolia.com)
- Veolia Ethics Committee:  
[ethique.ve@veolia.com](mailto:ethique.ve@veolia.com)

## Resourcing the world



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