Introduction

As a world leader in Mission-critical information systems for Aerospace, Defence and Security, Thales places ethics and corporate responsibility at the heart of its operations. For a number of years, the Thales Code of Ethics has been the cornerstone of this commitment, laying down the general rules and values that govern the Group’s business operations.

Thales subscribes to the United Nations Global Compact and upholds its principles with respect to human rights, labour, the environment and the prevention of corruption. The company also applies the OECD Guidelines for Multinational Enterprises on employment and professional relations, the environment, corruption prevention, consumer rights, science and technology, competition and taxation.

Flowing down from these commitments, Thales requires suppliers to support its corporate responsibility policies and uphold the principles laid down in the Thales Code of Ethics, the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. This is the purpose of the Purchasing and Corporate Responsibility Charter set out herein.

Dominique LAMOUREUX  
Vice President  
Ethics and Corporate Responsibility

François MONIRA  
Vice President  
Deputy Group Purchasing
PRINCIPLES

Human rights
Thales suppliers uphold the principles of the United Nation’s Universal Declaration of Human Rights.

Labour standards
Thales suppliers comply with all labour legislation applicable in their countries of operation and undertake to apply the principles of the following international conventions:

- International Labour Organisation (ILO) Convention 14 guaranteeing a weekly rest period of at least twenty-four consecutive hours
- ILO Conventions 29 and 105 forbidding the use of forced labour
- ILO Conventions covering the prohibition of child labour, and minimum working ages.

Thales suppliers also expressly undertake to:

- refrain from the illegal employment or trafficking of migrant workers
- ensure equal professional opportunities and treatment of workers through non-discrimination on the grounds of ethnic origin, sex, age, sexual orientation, trade-union membership, personal political or religious beliefs; suppliers also endeavour to provide a working environment that encourages the employment of people with disabilities (subject to local legislation)
- foster the development of social dialogue and collective bargaining by encouraging freedom of expression and association
- operate a health protection system within the applicable statutory requirements
- provide a safe, healthy working environment for their employees.

Environment
Thales suppliers take appropriate measures to:

- ensure that their operations comply with all applicable environmental legislation
- limit the environmental impact of their operations, particularly by reducing consumption of energy and natural resources, producing less waste, and managing emissions and all other forms of pollution
- prevent and mitigate environmental and health risks (hazardous materials, radiation, etc.)
- promote employee awareness of the supplier’s environmental policies.
Corporate governance
Thales suppliers uphold the principles of good governance, optimised risk management and internal control, and communicate clear and reliable information to stakeholders about their financial situation, strategic objectives and management policies.

Prevention of corruption
When dealing with both public officials and representatives of private-sector organisations, Thales suppliers undertake not to directly or indirectly offer, promise, grant or solicit any undue payment or advantage with a view to obtaining or retaining a contract or other benefit.

IMPLEMENTATION OF THE CHARTER

Contractual value
This Charter and the attached questionnaire form an integral part of the contractual purchasing documents.

Scope
This Charter is applicable to all Thales suppliers and throughout their own supply chains.

Supplier commitment
Compliance with national and local regulations is a minimum requirement for Thales suppliers. If the principles laid down by Thales are stricter than these regulations or than the supplier’s own code of ethics, the Thales principles are applicable. By signing the Charter, Thales suppliers accept its terms and agree to uphold its principles.

When the supplier does not already have policies and procedures in place to ensure compliance with the principles, the supplier agrees to work with Thales as part of a continuous improvement process to meet the criteria laid down in the Charter.

Measuring compliance
Thales purchasing departments monitor suppliers and help to evaluate their overall performance as part of the supplier approval process and to select suppliers in competitive bidding processes.

Thales reserves the right to audit suppliers on each of the principles addressed in the Charter.
Consequences of non-compliance

Should the supplier refuse to implement a mutually agreed improvement programme to address non-compliance, Thales reserves the right to terminate the purchase contract with the supplier, upon prior written notice, without further obligation to that supplier.

The supplier is responsible for all the consequences of non-compliance by the supplier itself or by any of its own suppliers and subcontractors. As a result, the supplier shall indemnify Thales against all costs related to non-compliance with the Charter, including any legal fees incurred by Thales.
Purchasing and Corporate Responsibility Charter

I the undersigned [name and first name]: ............................................................................................................

acting in the capacity of [function in the company]: .................................................................................................

representing the company [business name]: ........................................................................................................

located [legal address of the company]: ............................................................................................................

............................................................................................................................................................................................................

City: .......................................................................................................................................................... Post Code:    ....

Country: ........................................................................................................................................................

have read the Thales Purchasing and Corporate Responsibility Charter applicable to the Thales suppliers and undertake to comply with all of its provisions.

Signature

Company Stamp

Date of issue ........................................

NB: This page must be completed and signed by the supplier and submitted to Thales as part of the bid document package.