

ATR

Supplier code of conduct



atr-aircraft.com

 **into life**

ATR supplier code of conduct

As a world leader in regional aviation, our ambition, along with our stakeholders, is to contribute to an aviation industry that is more sustainable, more responsible and more inclusive.

Our suppliers being key to achieving this ambition, we are deploying a Sustainable Procurement strategy founded on the ATR Supplier Code of Conduct (SCoC) and in line with ATR Sustainable strategy.

Modelled on the International Forum on Business Ethical Conduct, our SCoC reflects our values and defines the basic requirements placed on our suppliers in line with internationally recognized standards and conventions.

We require commitment to responsible business practices and sustainable development from all our suppliers. Wherever you are located, all business should be conducted in compliance with this SCoC.

We expect you to implement these principles throughout your supply chain and demonstrate best practice in social and environmental responsibility and business ethics.

Your commitment is key to securing our success and a more sustainable future of our industry, while continuing to meet our customers' (aircraft operators and passengers) expectations.

We thank you for your engagement.



Stefano Bortoli

Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Stefano Bortoli'.



Eric Segura

Chief Procurement Officer

A handwritten signature in black ink, appearing to read 'Eric Segura'.



Compliance with laws

Suppliers must comply with all laws and regulations applicable to their business, including the local laws and regulations of all countries in which operations are managed or services are provided.



Human rights

We expect suppliers to conduct their business and operations in a way that respects human rights by treating their own workers, and people working for their suppliers, with dignity and promoting fair employment practices. This includes providing fair and competitive wages, prohibiting harassment, bullying and discrimination, prohibiting use of child, forced, bonded or indentured labour and not engaging in trafficking of persons for any purpose.

Suppliers are expected to identify risks and actual adverse human rights impacts related to their activities and business relationships. They should take appropriate steps to reduce risk and ensure their operations do not contribute to human rights abuses and to remedy any adverse impacts directly caused, or contributed to, by their activities or business relationships.

→ Child Labor

We expect Suppliers to ensure that illegal child labour is not used in the performance of work. The term “child” refers to any person under the minimum legal age for employment where the work is performed, and/or the minimum working age defined by the International Labour Organization (ILO), whichever is higher.

All workers under the age of 18 must be protected from performing work that is likely to be hazardous or that may be harmful to their health, physical, mental, social, spiritual, or moral development.

→ Modern Slavery including Human Trafficking, Forced, Bonded or Indentured Labor

Suppliers must prevent any involvement in all forms of modern slavery, including human trafficking, forced, bonded or indentured labour. All work should be voluntary on the part of the employee.

We expect suppliers to provide all employees with a written contract in a language they understand clearly indicating their rights and responsibilities with regard to wages, working hours, benefits and other working and employment conditions. Suppliers should not retain any form of employee identification (passports or work permits), nor destroy or deny access to such documentation, as a condition of employment unless required by applicable law.

Suppliers must not charge employees fees, recruitment costs or deposits, directly or indirectly, as a precondition of work.

Suppliers must respect the right of workers to terminate their employment after reasonable notice and to receive all owed salary. Suppliers must respect the right of workers to leave the workplace after their shift (see also Wage, Benefit and Working Hours).



Employment practices

→ Diversity and Inclusion

We expect suppliers to foster a diverse and inclusive work environment where employees are treated with dignity, respect and fairness, regardless of their race, colour, religion, gender, age, ethnic or national origin, disability, sexual orientation or preference, gender identity, marital status, citizenship status, political preference or other personal characteristic.

→ Harassment and Bullying

We expect suppliers to ensure that their employees are afforded an employment environment that is free from physical, psychological, sexual, and verbal harassment, intimidation or other abusive conduct.

→ Wage, Benefits and Working Hours

Suppliers must pay workers at least the minimum compensation required by local law and provide all legally mandated benefits. In addition to payment for regular hours of work, workers must be paid for overtime at such premium rate as is legally required or, in those countries where such laws do not exist, at least equal to their regular hourly payment rate. Suppliers must not permit deduction from wages as a disciplinary measure nor permit any other deductions which are not provided by national law.

We expect suppliers to provide employees with regulated hours of work, daily and weekly rest periods and annual leave.

→ Migrant workers

The term “migrant worker” refers to a person who is to be engaged, is engaged or has been engaged in a remunerated activity in a State of which he or she is not a national. Suppliers must ensure that migrant workers are

employed in full compliance with the immigration and labour laws of the host country.

→ Social dialogue and freedom of association

We expect suppliers to respect the rights of workers to associate freely and communicate openly with management regarding working conditions without fear of harassment, intimidation, penalty, interference or reprisal.

We expect suppliers to recognize and respect any rights of workers to exercise lawful rights of free association, including joining or not joining any association of their choosing within the appropriate national legal framework.

→ Disciplinary and Grievance Mechanism

We expect suppliers to have an employee disciplinary process in place to address concerns regarding employee work, conduct or absence.

We expect suppliers to have a grievance mechanism for employees to raise a workplace problem or concern or to appeal a disciplinary decision.



Integrity & Business Ethics

→ Anti-Corruption Laws

Suppliers must comply rigorously with the anti-corruption laws, directives and regulations that govern operations in the countries in which they do business regardless of any local customs. This also includes compliance with anti-corruption laws that may have extra-territorial application.

We expect suppliers to conduct effective due diligence to prevent and detect bribery and corruption in all business arrangements, including partnerships, the engagement of contractors and sub-contractors, joint ventures, offset

agreements, and the hiring of third-party intermediaries such as agents or consultants.

→ **Illegal Payments and illegal financing**

Suppliers must not offer any illegal payments or any illegal financing to, or agree to receive any illegal payments or any financing from, any customer, supplier, their agents, representatives or others. We expect Suppliers to prohibit their employees from receiving, paying, and/or promising sums of money or anything of value, directly or indirectly, intended to exert undue influence or improper advantage. This prohibition applies even in locations where such activity may not violate local law.

Suppliers must not offer, promise, make, accept or agree to accept any improper payments of money or anything of value to government officials, political parties, candidates for public office, or other persons. This includes a prohibition on so called 'facilitation' or 'grease' payments intended to expedite or secure performance of a routine governmental action like obtaining a visa or customs clearance, unless there is a formal legal governmental fee schedule for such expediting services and the government provides receipts. Personal safety payments are permitted where there is an imminent threat to health or safety.

→ **Fraud and Deception**

Suppliers must not seek to gain an advantage of any kind by acting fraudulently, deceiving people, making false claims or allowing anyone else representing them to do so. This includes defrauding or stealing and any kind of misappropriation of property or information.

→ **Competition and Antitrust**

Suppliers must not enter into formal or informal anti-competitive arrangements that fix prices, collude, rig bids, limit supply or allocate/control markets. They must not exchange current, recent, or future pricing information with competitors. Suppliers must not participate in a cartel or any activity that would unlawfully restrain or impact competition.

→ **Gifts/Business Courtesies**

We expect suppliers to compete on the merits of their products and services. Suppliers must not use the exchange of business courtesies to gain an unfair competitive advantage. In any business relationship, suppliers must ensure that the offering or receipt of any gift or business courtesy is permitted by applicable laws and regulations, and that these exchanges do not violate the rules and standards of the recipient's organization, and are consistent with reasonable marketplace customs and practices. No cash gifts or cash equivalent should be offered or accepted.

→ **Conflict of Interest**

We expect suppliers to avoid all conflicts of interest or situations giving the appearance of a potential conflict of interest. Suppliers will provide immediate notification to all affected parties in the event that an actual or potential conflict of interest arises.



Health & Safety

We expect suppliers to establish an appropriate safety management system including policies aimed at protecting the health, safety and welfare of employees, contractors, visitors and others who may be affected by their activities by striving to eliminate fatalities, work-related injuries, health impairment and limiting exposure to safety hazards.

Suppliers should take reasonable steps to provide a hygienic working environment and must ensure that employee's performance and safety is not impaired by alcohol, controlled substances, or legal or illegal drugs.

The supplier is responsible for the safety and health of the employees assigned to the service.



Environment

→ Environmental management system

We expect suppliers to conduct their business in a manner that actively manages environmental risks across their operations, products and supply chain.

Suppliers should establish an appropriate environment management system (e.g. ISO14001 or equivalent), including policies and procedures aimed at effectively managing their environmental performance, including integrating environmental considerations into their product design or service.

→ Substances and chemical management

We expect suppliers to communicate to ATR up to date information in regards to environmental, health and safety (EHS) matters of their products to enable safe usage of the products in the whole life cycle.

Suppliers are further expected to cooperate with ATR to enable downstream requirements in relation to suppliers' products and/or services to be fulfilled.

In addition, suppliers are expected to anticipate future regulatory constraints on some chemicals/substances in order to ensure continuity of supply.

Products or parts purchased from supplier by ATR, must comply with the laws or regulations applicable in the country of manufacturing but also in the countries of marketing or use of these supplies, products or parts in terms of prohibition, restriction of use or traceability of substances of concern for the protection of health and environment.

→ Sustainable product and process development

Suppliers shall actively support the sustainability strategy of ATR and make their best effort to develop, manufacture and deliver innovative products and processes that have

the lowest possible environmental impact throughout the lifecycle.

In particular, they must:

- Deploy a strategy to reduce greenhouse gas emissions to reduce their climate change impact in order to be in line with ATR's low carbon strategy. Suppliers must commit to a reduction path in accordance with the Paris Climate Agreement with an associated action plan and annual monitoring of their emissions
- Conserves natural resources, including energy sources, water and virgin raw materials and promotes valorisation and recycling of materials;
- Limit the environmental impact of their operations, particularly by:
 1. Reducing consumption of energy and water
 2. Limiting waste production and recycling and reusing materials.
 3. Improving prevention and control of all other potential forms of pollution;
 4. Limiting the use of hazardous chemicals and materials
 5. Controlling production-related emissions and discharge including air emissions.
- Dispatch goods in an adequate outer packaging and foster reusable / recycled packaging materials such as reduced usage of single used plastic
- Adopt an eco-design approach for new products or services.
- Ensure that their goods, works or services do not have a negative/ detrimental impact on biodiversity;

And, more generally, implement all protective measures to prevent any potential risk of damage to the environment.

Finally, as stated in chapter. "Compliance with Laws" of this Charter, suppliers shall ensure that all their operations, including their own supply chain, comply with all applicable environmental, laws and regulations.



Flight Safety

Every day passengers and airline staff put their trust in supplier's equipment, systems and services.

This commitment to Flight Safety must be reflected in Supplier's Safety Management System to drive in a meaningful way continuous improvement such it becomes part of the organizational culture.

→ Safety engagement

Suppliers must remember that their actions may ultimately impact the lives of passengers, airline personnel and fellow employees. An ongoing engagement at all levels with the overarching principle of flight safety is essential.

→ Alertness, lead by example

Suppliers must be constantly aware of the potential impact on Safety in relation to their activities, and should adopt a pro-active mindset and encourage their employees to act in the same way.

→ Reporting and sharing

Suppliers must do their utmost to ensure potential safety topics are reported and lessons learnt shared with stakeholders, within the appropriate reporting frameworks.

→ Trust and credibility

Suppliers must be committed to work in a spirit of openness, transparency and co-operation with all the relevant stakeholders to address and continually improve the flight safety performance of the ATR fleet.



Quality

We expect that suppliers set-up a best-in-class quality management system (e.g. EN9100 or equivalent) and a quality culture through appropriate organizations and processes in order to deliver a high level of service, in terms of quality, on time and on costs. It is a must that suppliers comply with the ATR requirements in line with the Airworthiness Regulations, International standards as well as procedures and policies.

Furthermore, ATR expects that suppliers deploy and run continuous improvement approach in areas that benefit ATR such as but not limited to quality, delivery, service, technology, compliance and competitiveness.



Information Protection

→ Protecting Sensitive, Confidential and Proprietary Information

Suppliers must ensure that all sensitive, confidential and proprietary information is appropriately protected.

Suppliers must comply with applicable data privacy laws on the collection, processing and transfer of personal data and information.

Suppliers must not use information for any purpose (e.g. advertisement, publicity, and the like) other than the business purpose for which it was provided, unless there is prior authorization from the owner of the information.

Suppliers must protect the sensitive, confidential and proprietary information of others, including personal data/information, from unauthorized access, destruction, use, modification and disclosure, through appropriate physical and electronic security procedures, including mitigating

emerging risk to information systems by implementing appropriate IT cyber security programmes.

Suppliers must report any suspected or actual data breach or security incident as soon they are aware to the ATR individual they do business with.

→ Intellectual Property

Suppliers must comply with all the applicable laws governing intellectual property rights assertions, including protection against disclosure.

Suppliers are expected to ensure that all sensitive, confidential and proprietary information is appropriately protected.

In their relationship with ATR, suppliers must comply with all applicable data privacy laws and regulations.

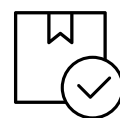
→ Insider Trading

Suppliers and their personnel must not use any material or non-publicly disclosed information obtained in the course of their business relationship with ATR as the basis for trading or for enabling others to trade in the stock or securities of any company.

→ Cyber security

Suppliers shall protect the sensitive, confidential and proprietary information of others, including personal data/information, from unauthorized access, destruction, use, modification and disclosure, through appropriate physical and electronic security procedures, including mitigating emerging risk to information systems by implementing appropriate IT cyber security programmes. Suppliers shall report to ATR any suspected or actual data breach or security incident as soon they are aware.

In order to guarantee the compliance with security requirements, ATR might carry out audits or send dedicated questionnaires to suppliers.



Global Trade & Export Control

→ Import

Suppliers must ensure that their business practices are in accordance with all applicable laws, directives and regulations governing the import of parts, components, technical data and services.

→ Export and Sanctions

Suppliers must ensure that their business practices are in accordance with all applicable laws, directives and regulations including economic sanctions and embargoes, governing the export and transfer of parts, components, and technical data and services. Suppliers shall provide truthful and accurate information and obtain export licenses and/or consents where necessary.

→ Responsible Sourcing of Minerals

Suppliers must comply with applicable laws and regulations regarding (direct and indirect) sourcing of critical material and conflict minerals. Those materials include “conflict minerals”: – tin, tungsten, tantalum and gold originating from conflict areas – , rare earth elements, as well as other minerals or metals (e.g. bauxite, cobalt, titanium, lithium).

Suppliers are expected to provide products made from materials, including constituent minerals, that are sourced ethically (i.e. with limited environmental impacts and not detrimental to Human Rights) to ensure that there is no risk of conflict minerals or critical material being embedded in the Client's product. Suppliers shall support efforts to eradicate the use of any minerals which directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses.

Suppliers shall conduct due diligence and provide supporting data on their sources and supply chain of custody for these minerals when requested. In the event that the material

'chain of custody' supplied is "indeterminable" or otherwise unknown, the supplier is expected to either attain the appropriate certifications, or phase out that material.

→ Counterfeit Parts

Suppliers shall develop, implement, and maintain effective methods and processes appropriate to their products to minimize the risk of counterfeit parts and materials being delivered. Effective processes should be in place to detect, report and quarantine counterfeit parts and materials and to prevent such parts re-entering the supply chain. If counterfeit parts and/or materials are detected or suspected, suppliers should provide immediate notification to the recipients of such counterfeit parts and/or materials.

→ Payment of Taxes

Suppliers must ensure they comply with all applicable tax laws and regulations in the countries where they operate and be open and transparent with the tax authorities. Under no circumstances should suppliers engage in deliberate illegal tax evasion or facilitate such evasion on behalf of others.

As such, suppliers must put in place effective controls to avoid the risk of tax evasion or its facilitation, and provide appropriate training, support and whistleblowing procedures to ensure their employees understand and implement them effectively and can report any concerns.

→ Timely Payment of suppliers

We expect suppliers to be fair and reasonable in their payment practices and pay undisputed and valid invoices on time in accordance with agreed contractual payment terms.



Maintain Accurate Records

We expect suppliers to have in place appropriate controls to accurately and securely create, store and maintain business records, and not alter any record entry to conceal or misrepresent the underlying transaction represented by it. All records, regardless of format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented. Records should be retained based on the applicable retention requirements.



Governance & Management Systems

→ Speak up culture and whistleblower protection

We expect suppliers to provide employees and third parties with access to adequate reporting channels to seek advice or raise legal or ethical concerns without fear of retaliation, including opportunities for anonymous reporting.

We expect suppliers to take action to prevent, detect and correct retaliatory actions.

→ Consequences for violating the code

In the event that the expectations of this Code are not met, the business relationship may be reviewed and corrective action pursued subject to the terms of the related procurement contract(s).



Supplier Commitment

By signing this document, the supplier commits to following the ATR Supplier Code of Conduct for all existing and future business and contractual relationships with ATR.

The supplier agrees to flow down the ATR Supplier Code of Conduct principles to its affiliates, subsidiaries and to their subcontractors involved in business with ATR.

These ATR Supplier Code of Conduct principles shall be incorporated into any routine sustainable business practices.

The ATR Supplier Code of Conduct will be part of the tendering process documentation and adherence thereto by the supplier will be one of the mandatory criteria assessed by ATR during the selection process.

Upon signature of this ATR Supplier Code of Conduct, the supplier accepts that this document shall be an amendment to all existing Contracts with ATR, and that it shall apply to all business and contractual relationship with ATR.

The ATR Supplier Code of Conduct represents a minimum standard of best practices. It shall be governed by the law of the relevant Contract (if any). In the event there is no Contract, this document shall be applicable to all relationships between the supplier and ATR and shall be governed by French law.

The supplier undertakes to comply with all other obligations arising from the laws of the country in which the service is provided, without those set out in this code of conduct being restrictive or exhaustive.

Agreed on by:

Company name:

Name:

Date:

Signature:



ATR

1, allée Pierre Nadot
31712 Blagnac cedex - France
T: +33 (0)5 62 21 62 21

 atraircraft.com

 atrbroadcast

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