

Sustainable development report 2005



Dexia group ethics charter on supplier relations

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**adopted on 2 February 2005
by the Dexia Management Board**

This Ethics Charter provides a framework for the supplier relations of entities and subsidiaries in the Dexia group in order to promote the principles of social and environmental responsibility.

It is in line with the group’s commitment to implement a policy of sustainable development, further in particular to the signing of the *Global Compact* in December 2002.

1. Scope of application:

1.1. The Charter applies to the entire Dexia group and each of its entities is responsible for implementing the objectives and principles in accordance with national legislation and regulations.

1.2. The Charter concerns all significant suppliers who are party to a regular and long-term relationship with entities in the Dexia group, and applies to each new competitive selection procedure or purchase contract for goods and services with these suppliers, as of the adoption of this Charter.

2. Objectives and principles:

2.1. Depending on the context, the legislation and the means of production for goods and services in each of the countries concerned, Dexia intends to select the suppliers who apply the best practices and principles in terms of social and environmental responsibility, that is those who:

- refrain from using, or accepting that their own suppliers and sub-contractors make use of child labour (under 15 years of age) or forced labour;
- comply with all the legal and statutory provisions aimed at ensuring staff safe and healthy working conditions and environment, respecting individual and collective liberties, including in areas such as the management of working hours, remuneration, training, trade union rights, hygiene and safety;
- comply with all the legal and statutory provisions on discrimination (sex, race, religion or political conviction) as regards staff recruitment and management;
- do not practice or support any psychological or physical coercion or hurtful or humiliating verbal abuse;
- comply with the labour law provisions in force both upon recruitment and during the fulfilment of the employment contract;
- comply with national legislation on environmental protection and also promote best environmental practices, including as regard the design of innovative products, the improvement of product life cycles, recycling and waste reclamation.

In line with its principles, Dexia encourages its suppliers to uphold the principles of the Global Compact.

2.2. When a competitive selection procedure is launched, relations between Dexia staff and their suppliers will be based on objectives of fairness, integrity and transparency. In this respect, it is stated in particular that the acceptance of business gifts or other benefits offered by suppliers or counterparties beyond the limits of normal commercial practices is forbidden.

2.3. At the same time, the Dexia group is endeavouring to integrate into its purchasing practices the expectations and innovations of suppliers and to maintain relations with them based on dialogue and the search for optimal solutions.

2.4. The supports and procedures drawn up for the implementation of the Charter may constitute a preparatory stage in the acquisition of social and environmental certification (ISO SA 8000, ISO 14001, EMAS, etc.) in certain entities within the Dexia group.

3. Supports and procedures:

3.1. The entities of the Dexia group will inform their suppliers of the existence and content of this Charter.

3.2. When a competitive selection procedure is launched, or a purchase contract is signed for goods or services, suppliers under Article 1.2 will undertake to comply with the practices and principles of social and environmental responsibility as defined in Article 2.1. This undertaking by the supplier will take official form in a general clause.

4. Appraisal and updates:

The Dexia group reserves the right to make changes to this Charter on the basis of the lessons learnt from this implementation and practices in suppliers' sectors of activity. An appraisal will be drawn up every year as part of the Dexia group "sustainable development report".

