



**MERSEN**  
*Expertise, our source of energy*

MERSEN PURCHASING  
CHARTER FOR  
A SUSTAINABLE  
SUPPLY CHAIN



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## SUSTAINABLE DEVELOPMENT COMMITMENTS AT MERSEN

As a major player operating in multiple industrial sectors and around the world, Mersen conducts its business according to **ambitious responsible development values and goals** and is mindful of the environmental and social practices associated with the development of its products, both within the Group and at its suppliers.

Mersen adheres to the laws that apply in each of the countries in which it operates as well as the international laws decreed by the United Nations. It has been a signatory of the United Nations Global Compact and endorsed its ten principles since 2009.



# Summary

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# 1.

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## Supplier commitments



## 1.1 Dignity and respect

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### **HUMAN RIGHTS**

Mersen suppliers and subcontractors respect the *International Labor Organization's Declaration on Fundamental Principles and Rights at Work*, and the international law on human rights and combat all forms of modern slavery.

Mersen suppliers and subcontractors are not complicit in any form of human rights abuse and ensure that mechanisms exist to guarantee respect for the following principles at their sites and, where relevant, those of their own suppliers: abolition of child labor, elimination of forced and compulsory labor, freedom of association and the right to collective bargaining, elimination of discrimination in the workplace, fair treatment and compliance with all applicable laws regarding wages, benefits and working hours.

### **CHILDREN'S RIGHTS**

Mersen shall not work with suppliers and subcontractors who make use of child or forced labor. The minimum age is set at 15, except for hazardous works where it should be 18.

If a supplier or a sub-contractor is operating on one of Mersen's sites, the minimum age of any of their employees will be 18 years, except in the framework of internships or vocational training programs, organized in co-operation with schools and training institutes or approved by the competent authorities.

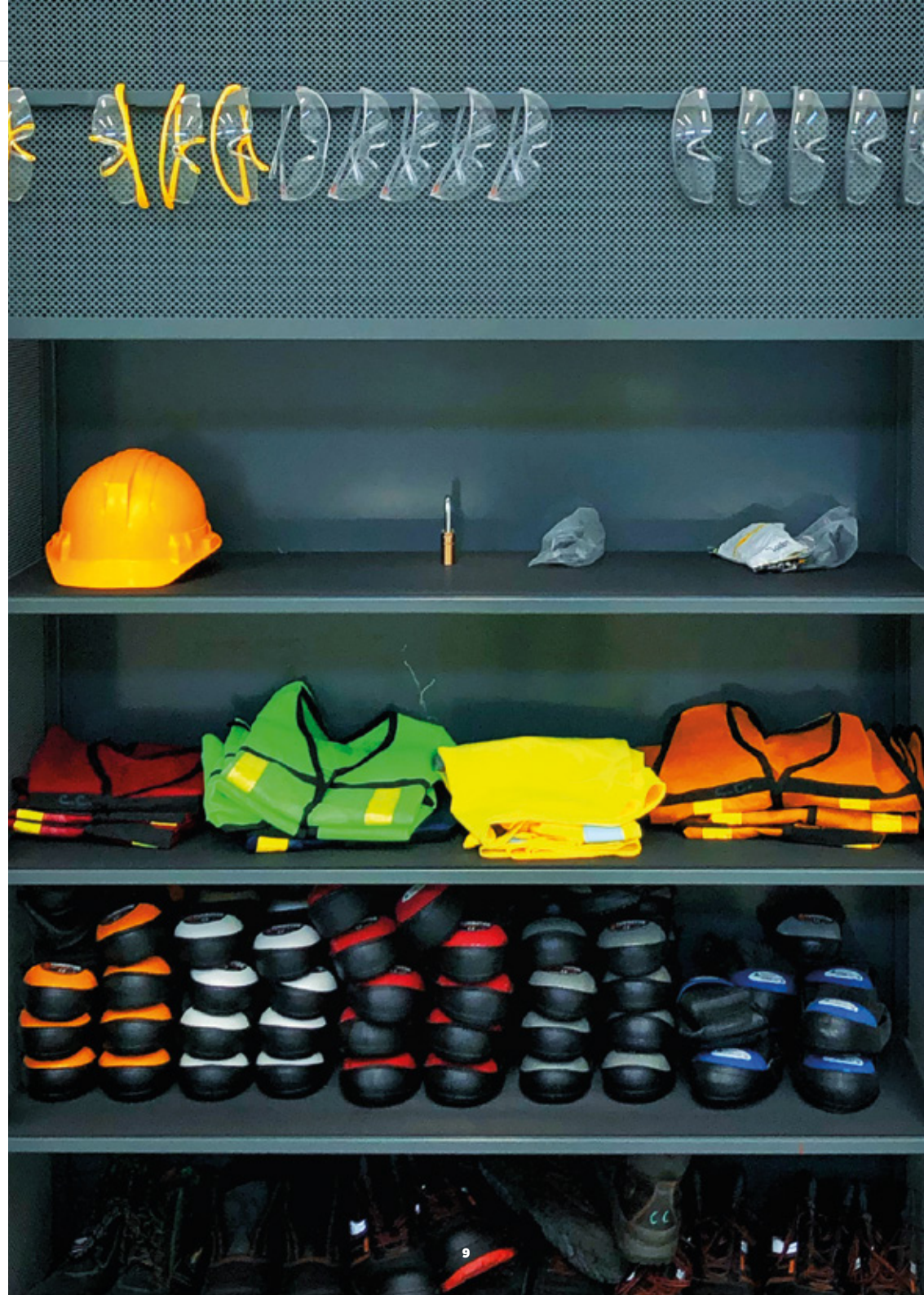
## HEALTH & SAFETY

Mersen suppliers and subcontractors undertake to implement the necessary measures **to protect and keep their employees, their subcontractors and the local communities safe**. They ensure that their health & safety policy is well known and understood by employees and is applied irrespective of commercial, business and financial obligations. They identify and assess potential emergency situations in the workplace and tied to their operations, and minimize their impact by implementing emergency plans and response procedures.

Mersen suppliers and subcontractors systematically comply with Mersen's safety rules when operating on one of its sites.

## LABOR PRACTICES

Mersen suppliers and subcontractors strive to maintain and continuously improve a working environment where employees are given training and development opportunities, where rewards are proportionate to the contribution made by employees and where employees have the opportunity to engage in constructive dialogue with their employer.



## 1.2 Business integrity

Mersen suppliers and subcontractors apply the highest standards of **business and personal ethics** and follow all applicable laws and regulations in the countries where they operate.

### **CORRUPTION & ANTI-COMPETITIVE PRACTICES**

Mersen suppliers and subcontractors comply with all competition laws and regulations. They are committed to combating all forms of corruption, extortion, fraud and bribery. They do not attempt to offer any benefits to Mersen employees in order to facilitate their business with the Group.

Mersen suppliers and subcontractors are committed to transparency and accountability in their business dealings and strive to detect and prevent illegal and unethical activities in the form of commercial transactions by screening their business partners, transactions and materials.

If a supplier or a subcontractor carry out work at the request of or for a Mersen employee involved in any procurement decision-making process, it will inform and disclose this information to the site plant manager prior to execution.

Mersen's Anti-Corruption Code of Conduct is available on the Group website at [www.mersen.com](http://www.mersen.com)

### **If you have any concerns about unethical practices:**

you should complete the form available on the website  
[www.mersen.com/group/ethics](http://www.mersen.com/group/ethics)

### **DATA CONFIDENTIALITY**

Mersen suppliers and subcontractors are committed to respecting and safeguarding the confidentiality of any Mersen proprietary information, including without limitation, intellectual property, project information or expertise, and production, labor-related or commercial data, and to not disclosing any information that may be detrimental to Mersen.

Mersen suppliers and subcontractors undertake not to use any Mersen images, brands or products to promote their company during trade fairs, customer visits or external presentations, without the prior written acceptance of a duly authorized Mersen representative.

### **SUPPLY CHAIN**

Mersen suppliers and subcontractors undertake to promote and communicate on the principles of sustainable procurement in their own supply chain.

### **RESPONSIBLE TAXPAYER**

Mersen suppliers and subcontractors are committed to paying all taxes owed in all the countries in which they operate.

## 1.3 Protection of the environment and communities

### ENVIRONMENTAL MANAGEMENT SYSTEM

Mersen suppliers and subcontractors maintain an environmental management system which enables them to continually improve environmental performance. Documentation about this management system is updated and made available to Mersen upon request.

### REGULATORY COMPLIANCE

Mersen suppliers and subcontractors comply with the applicable environmental laws and regulations in the territories in which they operate, and possess all the necessary environmental permits and registrations. Where this is not the case, they are committed to informing Mersen and fulfilling all your legal duties.

Mersen suppliers and subcontractors take steps to offer products with the lowest possible impact on the environment in terms of production, use and at end-of-life given the technology available.

Mersen suppliers and subcontractors take the necessary measures to protect the environment by optimizing natural resources in accordance with the principles of "Reduce, Reuse and Recycle".

Any hazardous products or materials that they produce are always accompanied by up-to-date environmental information in the form of safety data sheets.

### RoHS and REACH compliance

Suppliers are committed to ensuring that deliveries comply with the concentration thresholds set out in the Restriction of Hazardous Substances (RoHS) Directive and contain no more than 0.1% w/w of Substances of Very High Concern (SVHC) specified on the candidate list and in Annexes XIV and XVII of the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Regulation for deliveries in Europe (according to the available updated list at the moment of the delivery, see <http://echa.europa.eu/web/guest/candidate-list-table>).

### RISK PREVENTION AND CONTINGENCY PLAN

Mersen suppliers and subcontractors have procedures in place to prevent incidents. In the event that an incident should occur, they have procedures which are designed to mitigate consequences that may have an impact on the environment.

Mersen suppliers shall draw up a contingency plan for potential natural disasters or damages that may disrupt the supply of materials to Mersen sites. The plan should mitigate the risk of an interruption in supply. Suppliers also need to ensure the protection of Mersen property such as tools and provide access to them in the event of an actual disaster.

### CONFLICT MINERALS

All suppliers and sub-contractors are obliged to provide documentation and other information regarding the origin of any tantalum, tin, tungsten, gold or other minerals (or other materials that may be listed in the future by the U.S. Secretary of State) contained in products supplied to Mersen. They should ensure that their imports of minerals and metals are only sourced responsibly and that they are not linked to conflicts.

# 2.

## Supplier selection process



At Mersen, we seek to do business with partners that have already made a commitment to sustainable development, or that are willing to take steps in this direction. Successful customer-supplier relationships are based on a variety of factors such as **technical specifications, quality, price, innovation, service and technology, environmental and social impact.**

### **BIDDING PROCESS**

Mersen suppliers are selected according to the competitiveness of their entire offer. They are invited to take part in the bidding process by answering a Request for Quotation and Request for Information (RFQ, RFI).

A supplier's selection is based on factors such as: ability to meet specifications and standards, technical capabilities, price competitiveness, future cost reduction, quality, logistics, innovation, environmental and social practices and financial stability.



## CORPORATE SOCIAL RESPONSIBILITY QUESTIONNAIRE

Suppliers should complete an online self-assessment covering their Health & Safety, Environment, Business Integrity, Labor & Human Rights practices. The replies to this questionnaire are an important step to developing a business partnership with Mersen. A supplier scoring system will be established to drive improvement.

## MINIMUM QUALITY SYSTEM REQUIREMENTS

Suppliers shall develop, document, implement and maintain a quality system that will ensure that products and services conform to contractual agreements. Quality systems should be based on ISO 9001. Suppliers shall endeavor to have their quality systems certified as ISO 9001-compliant.

## COMPLIANCE COMMITMENTS

Suppliers shall inform Mersen of any changes in their organization. Mersen will not continue working with a supplier that repeatedly fails to abide by this Purchasing Charter, particularly the ten principles of the UN Global Compact and/or the Conflict Minerals Policy.

If a supplier's compliance is in doubt, an audit shall be carried out. An internal or external auditor shall be sent to the supplier in order to review its environmental, social and labor practices.

Supplier Relationship Management is done through Mersen's Supplier Portal. The suppliers are responsible for creating and maintaining their account by updating any changes to its CSR policy, certifications and compliance with regulations (RoHS, REACH, Conflict Minerals, etc.).

[www.mersenvendor.bravosolution.com](http://www.mersenvendor.bravosolution.com)



## SUPPLIER EVALUATION CRITERIA

The Mersen Purchasing Process includes the Supplier Performance & Development Program, which is aimed at best-in-class performance in 6 areas:

- Quality
- Delivery & Logistics
- Competitiveness
- Cooperation & Responsiveness
- Innovation Support
- Corporate Social Responsibility

## SUPPLIER IMPROVEMENT PLAN

Any gaps in performance on one of the 6 criteria must be tackled by suppliers themselves or through development programs initiated and followed by the Mersen Purchasing team and the Supplier Quality Development team (Quality, Logistics, Lean management, etc.), to optimize the performance of the end-to-end supply chain to maximize customer satisfaction.

## NON-COMPLIANCE

Should the self-assessment process, follow-up steps or other evidence indicate that Purchasing Charter criteria are not being met, supplier may be required to provide adequate explanations and/or evidence that corrective action is planned to amend the situation and prevent any recurrence.



# 3.

## Preferred supplier



Mersen promotes cooperation with best-in-class suppliers who wish to develop and improve their performance in order to develop business with Mersen.

**To become a preferred supplier, the following key criteria are required:**

- A daily performance meeting Mersen evaluation criteria (technical capabilities, innovation, quality, delivery, cost competitiveness, capacity, service, corporate social responsibility).
- A company's strategy that matches Mersen's marketing portfolio and technology roadmaps.
- An ability to innovate and provide ideas for improving the environmental impact of the supply chain with Mersen (reduction in CO2 emissions, recycling of materials, reduction in energy & raw materials consumption, etc.).
- An endorsement of Mersen's contractual terms and Purchasing Charter.
- An ability to build an offer for multiple Mersen sites in one region or across several regions.

## Signature

All suppliers are encourage to sign this document and return it to its Mersen's contact, hence committing to the Purchasing Charter for a sustainable supply chain.

If you are registered on Mersen's Supplier portal, you can also validate your commitment through the platform.

Comments

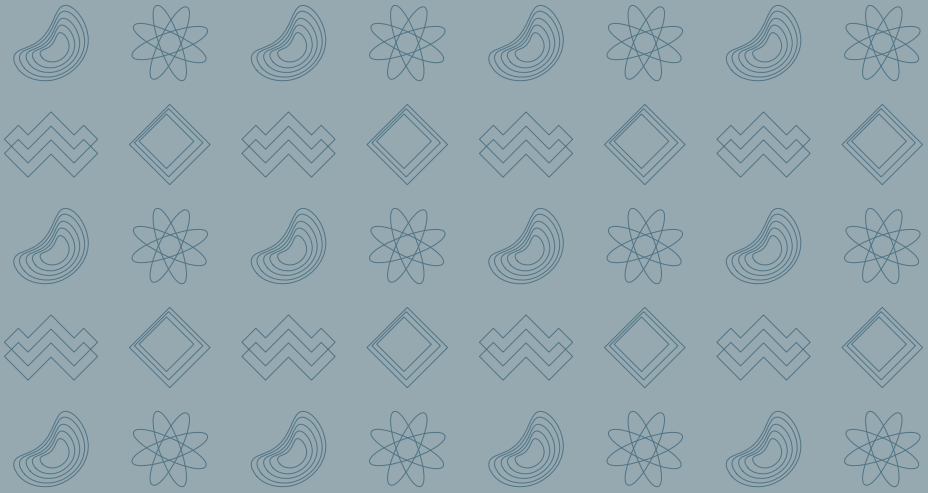
Supplier:

Supplier representative:

Date:

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Mersen's charters and reference policies are available on the Group's website.



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