

Responsible Development Clause (November 2018 version)
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1.1 – RESPONSIBLE PURCHASING

The Saint-Gobain Group has signed up to the “United Nations Global Compact” and applies the “OECD guidelines for multinational enterprises” as well as the fundamental principles and rights at work described in the “ILO Declaration” (International Labour Organization). In this context, it has notably adopted a policy of responsible purchasing, an integral part of the Group’s Responsible Development policies.

The approach and expectations of the Saint-Gobain Group with regard to its suppliers are formalized in the "Suppliers Charter" [appended hereto](#) (hereinafter referred to as the "Charter").

In addition to this Charter, Saint-Gobain has set up a professional alert system for suppliers allowing them to report any event or conduct non-compliant with applicable laws and regulations, international rules or with the principles of the Charter. Any alert may be sent by e-mail to: external.csr-alert@saint-gobain.com.

As part of its “Responsible Purchasing” policy, and in application of its vigilance plan, Saint-Gobain conducts a supplier analysis based on its risks mapping before assessing, if necessary, its suppliers’ environmental, social and ethical practices through documentation reviews or on-site audits, on the basis of international standards (hereinafter referred to as the "Evaluations"). Should these assessments show any disparities between the standard reference framework used and the supplier’s practices, Saint-Gobain will define with the supplier the corrective measures to be implemented. Any failure to implement these measures may result in the supplier being delisted and in the early termination for breach of this agreement and all other agreements concluded with the Saint-Gobain Group companies.

The Supplier confirms that it has read, and complies with, the Charter. The Supplier acknowledges that Saint-Gobain Construction Products CZ a.s., div. Isover may conduct Evaluations on the Supplier and agrees to provide the necessary assistance for that purpose.

1.2 - COMPLIANCE

The Supplier undertakes to fulfil the compliance obligations set forth in this article. In addition, the Supplier shall require its own suppliers and subcontractors to comply with the same rules. Saint-Gobain is entitled to conduct audits in order to ensure the compliance to these rules.

Depending on the situation, the term “Saint-Gobain”, as used in this article may refer to Saint-Gobain Construction Products CZ a.s., div. Isover and/or all companies and legal entities which belong to the Saint-Gobain Group. The Saint-Gobain Group consists of any and all companies and legal entities directly or indirectly detained and/or controlled (controlled having the meaning set forth in art. L233-3 of the French Commercial Code) by “Compagnie de Saint-Gobain”, a French company headquartered at 18 avenue d’Alsace, 92400 Courbevoie, France.

- **Fight against corruption**

The Supplier warrants that it has not provided or promised any undue advantage to Saint-Gobain, any person employed by Saint-Gobain, or any third party to obtain the benefit of this Agreement.

The Supplier shall comply and require that all of its affiliated companies, officers, employees, representatives, subcontractors, and agents (the “**Supplier’s Representatives**”) comply with the Suppliers’ Charter and applicable laws on preventing corruption. In particular, the Supplier and the Supplier’s Representatives shall not directly or indirectly promise, offer, or grant to any public official or any other person any undue advantage with a view to making this person do or abstain from doing something, in breach of their legal or professional obligations.

The Supplier shall keep accurate accounts in accordance with its country’s generally accepted accounting principles and in which all financial flows generated by this Agreement shall be correctly recorded; and shall inform Saint-Gobain, as soon as it may be aware, of any solicitation to commit an act of bribery or corruption occurring during the performance of the Agreement.

- **Economic sanctions**

The Supplier undertakes to comply with any laws and regulations on economic sanctions applicable to the activities covered by this Agreement. These may include instruments adopted by the United Nations, the United States or the European Union.

For all matters pertaining to the execution of this Agreement, the Supplier undertakes that it will not enter into transactions with any person or entity with whom commercial transactions are forbidden or restricted by the United States or the European Union.

The Supplier also undertakes to inform Saint-Gobain promptly in the event that any of the materials, products and/or components (including software or services) covered by this Agreement, are wholly or partly subject to any re-export restriction; and/or originate from the United States or incorporate content manufactured in the United States. In any such event, the Supplier shall provide Saint-Gobain with all related (and reasonably necessary) information and documents.

- **Suspension of obligations**

Either Party shall be entitled to suspend temporarily or definitively the performance of its obligations under the Agreement without any liability to the other if, at any time, new economic sanctions and/or export regulations enter into force and render the execution of the Agreement either impossible or illegal for one Party.

1.3 – PRESERVATION OF BIO-DIVERSITY

This paragraph is active when the subject of the contract is the delivery of new wooden pallets, wood packaging or the delivery contains wooden parts

The Saint-Gobain Group has adopted a “Timber Policy”, [attached hereto](#), which defines the responsible conduct that the Saint-Gobain group companies must adopt when buying and / or selling timber products, in response to the challenges of sustainable development.

In this context, the Saint-Gobain Group expects its suppliers to participate to this Policy, in particular by favoring FSC or PEFC certified wood supplies.

The Supplier undertakes to provide Saint-Gobain Construction Products CZ a.s., div. Isover with the corresponding certificates or, if the timber is not certified, provide a sworn statement attesting to the logging locations and the species of timber used, using the template enclosed [in Appendix](#) [●]. The Supplier also undertakes to update its certificates or to inform the Purchaser of any event affecting or likely to affect the aforementioned sworn statement.

This paragraph is active when the subject of the contract is the supply of silicate sand of any origin

The Saint-Gobain Group has adopted a “Biodiversity Policy”, [attached hereto](#), echoing the challenges of sustainable development. In this context, the Saint-Gobain Group expects its suppliers to participate to this Policy, in particular by providing to Saint-Gobain Construction Products CZ a.s., div. Isover a sworn statement attesting to the geographic origin and the classification of the sands mined (ground / marine / river / desert careers), using the template enclosed [in Appendix](#) [●].

The Supplier also undertakes to update its certificates or to inform Saint-Gobain Construction Products CZ a.s., div. Isover of any event affecting or likely to affect the aforementioned sworn statement.

In addition, the Supplier undertakes to adopt responsible mining practices, such as rehabilitating mined sites, respecting the local population, and caring for the environment.

1.4 - SUPPLIER BREACH OF ITS OBLIGATIONS

- Evaluations and audits

The Supplier authorizes Saint-Gobain to conduct Evaluations and audits at any time in order to make sure that the Supplier is complying with its obligations under article “**RESPONSIBLE DEVELOPMENT**”. In this regard, the Supplier shall provide all the documents and data required to prepare and conduct the Evaluation or the audit and give access to the site of the Supplier or its affiliated companies.

Organization and performance of Evaluations or audits may include exchange and storage of personal data, mainly work-related.

- **Agreement suspension**

If Saint-Gobain Construction Products CZ a.s., div. Isover has reasons to believe that the Supplier is not fulfilling the obligations contained in article **RESPONSIBLE DEVELOPMENT**, Saint-Gobain Construction Products CZ a.s., div. Isover shall inform the Supplier and may suspend performance of the Agreement until the Supplier provides reasonable proof that it has not committed or is not about to commit a breach. Saint-Gobain Construction Products CZ a.s., div. Isover shall under no circumstances be liable for any damage or loss caused to the Supplier by the suspension of the Agreement.

- **Agreement termination**

In case of an actual breach by the Supplier or the Supplier's Representatives of the provisions of this article **RESPONSIBLE DEVELOPMENT**, Saint-Gobain Construction Products CZ a.s., div. Isover shall be entitled to terminate the Agreement, ipso jure with immediate effect, by registered letter with acknowledgement of receipt, without paying any compensation and without prejudice to any damages or remedies which Saint-Gobain Construction Products CZ a.s., div. Isover may be able to claim as provided for by law.

Any and all general exclusions or limitations of liability mentioned elsewhere in the Agreement shall not be applicable to claims arising from or in connection with the Supplier's breach of obligations under this article "**RESPONSIBLE DEVELOPMENT**".