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# Responsible Purchasing Charter

Commitments expected from Manitou Group suppliers concerning Corporate Social Responsibility (CSR)

## 1- Sustainable solutions

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- Compliance with standards and regulations related to environmental protection
- Certification
- Product/service: Innovation and development of products/services with low environmental impact
- Protection of the health and safety

## 2- Men and women

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- Promotion of, and respect for, human rights and working conditions
- Protection of the health and safety of workers

## 3- Partnership

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- Common approach to progress on added value creation
- Respect for professional and ethical practices and good-conduct rules





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Stronger Together

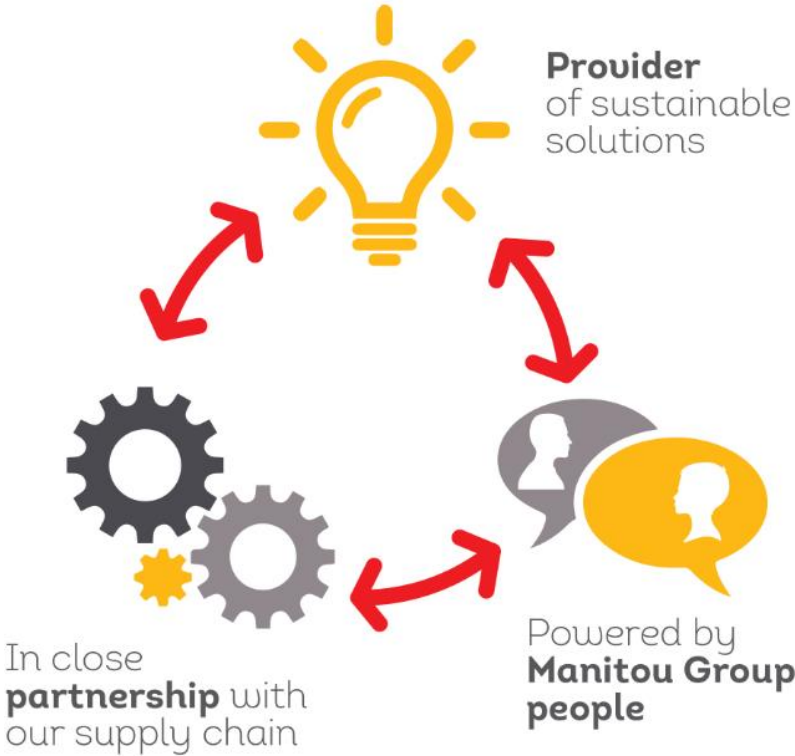
# Preamble

## The Manitou Group: our commitments in Corporate Social Responsibility (CSR)

By a commitment to its CSR approach, Manitou Group (Manitou BF and its subsidiaries) undertook to apply, promote and support the fundamental principles of CSR in its business. We wish to share, promote and work alongside our suppliers and include them in this continuous-improvement approach. Manitou Group is also supporting

"Provider of sustainable solutions", "Powered by Manitou Group people" and "In close partnership with our supply chain" are the 3 strategic topics that provide Manitou Group's roadmap. The general objective is to achieve a completely-integrated model, in which CSR will improve our "business and service model". One of the key factors for success is therefore the inclusion of the CSR approach in all processes and the daily functioning of activities, particularly the Purchasing process. The action plan is based upon three strong commitments:

### A THREE TRACK APPROACH



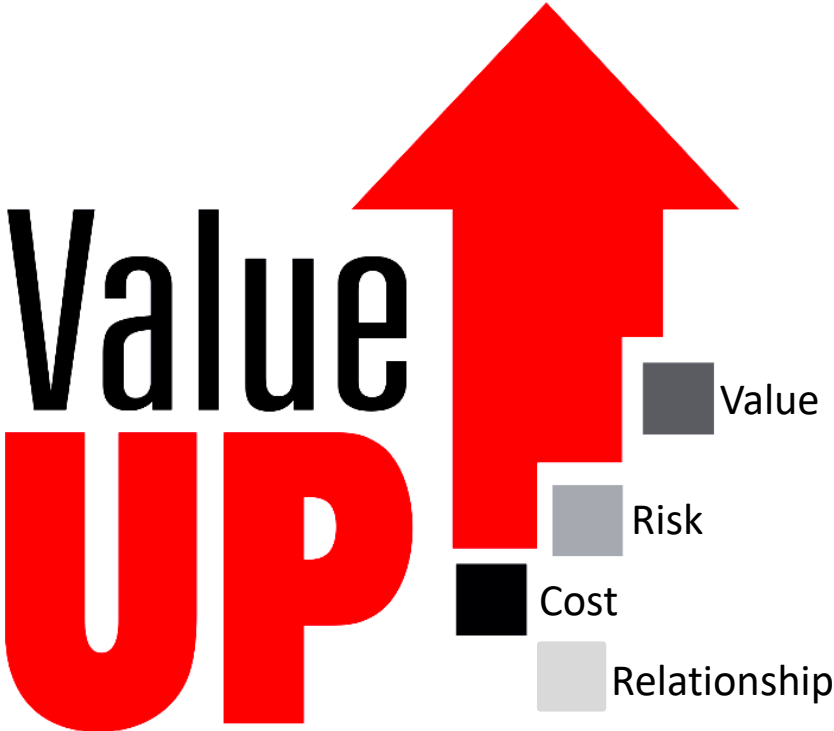


This charter is intended to share, with our current or future suppliers, our expectations on environmental, social, ethical and economic responsibility, and to explain the commitments expected from suppliers and subcontractors in return.

In its calls for tenders (RFI<sup>1</sup> and RFQ<sup>2</sup>), Manitou Group will ensure that the principles of this charter are decisive criteria in the process of selecting a new supplier. For existing suppliers, their retention as group suppliers will also be subject to compliance with these principles, particularly with the CRS quotation.

In order to construct mutually-beneficial relationships, Manitou Group would like its suppliers to share their commitments in favor of sustainability, both in their own organization and in their supply chain and subcontracting. The supplier therefore undertakes to disseminate and promote the principles stated in this charter to its own suppliers, contractors and/or subcontractors.

This is the basis upon which we established and communicated our purchasing policy “Value Up” in 2016, mentioned below, which through its vision (To increase the performance and the Creation of Value for the whole of the stakeholders by developing the collaborative approaches through a durable and balanced relation) and of its guiding principles (management of the suppliers relation, optimization of the complete costs, risk management and creation of value) is registered in coherence with the commitments of the Charter :



<sup>1</sup> Request for Information

<sup>2</sup> Request for quote



For all of the principles stated in this charter, Manitou Group is aware that suppliers, particularly in the smallest organizations, need time to set up a continuous-improvement process to comply with these principles. Each supplier is therefore encouraged to inform Manitou Group of the actions and avenues for improvement undertaken in accordance with this charter. Voluntary initiatives related to a social, environmental and economic approach are also encouraged.

Manitou Group may make inspections to ensure compliance with the rules of this charter. These inspections may include requests for documents, ensuring that action plans, assessments or on-site audits are put in place.

# 1

## Principles related to sustainable solutions

*Manitou Group expects its suppliers to support it across the entire life cycle of the machine, from its design, favoring its long life and ability to be recycled, to its production conditions, favoring processes that have less impact on the environment (consumption of raw materials, energy, production of waste and emissions), and during use, by contributing to the reduction of consumption, greenhouse gases and polluting emissions from the machines.*

- **Compliance with standards and regulations related to environmental protection**

**Regulatory compliance:** in accordance with OECD guidelines<sup>3</sup>, Manitou Group recognizes and bears responsibility for the impact of its activity on the environment, observing its development and controlling actions to reduce it. In their activities, Manitou Group, as a minimum, expects its suppliers to comply with the standards and regulations in force in their countries (toxic discharges to water, waste treatment, and management of chemical or toxic products). For products, Manitou Group wants its suppliers to comply with the standards and regulations that are applicable in the countries where the products are sold.

**Authorizations and permits:** the supplier has, and keeps up-to-date, the applicable environmental permits (e.g. monitoring discharges) for its activity and the necessary records, and follows the requirements (operational and administrative) required by these permits/authorizations.

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<sup>3</sup> OECD (Organisation for Economic Cooperation and Development) guidelines for multinational companies



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**Dangerous substances:** the supplier undertakes to respect prohibitions and restrictions on substances, products or materials required by the applicable legislation or regulations in all countries where its supplies, products or parts are marketed or used. The supplier must perform regulatory oversight in this field and inform Manitou Group in case of imposed or voluntary changes concerning the composition or manufacture of delivered products.

- REACH (*European regulation on the Registration, Evaluation, Authorization and Restriction of Chemicals*): the supplier is responsible for registering, and if necessary, authorizing or notifying chemicals contained in the products in accordance with the European REACH directive (regulation CE/1907/2006 CE). In the case of an imported chemical, the supplier assumes responsibility for all its obligations. Furthermore, the supplier undertakes to supply all information on "substances of very high concern" which are contained in delivered products so that Manitou Group can fulfill its regulatory obligations to provide information (art. 33 of the REACH regulation).  
<https://echa.europa.eu/reach-2018>

- **Certification**

We encourage our suppliers to be certified ISO 14001, EMAS (Eco Management Audit Scheme) or equivalent, or to be able to demonstrate that they have established an action plan allowing them to be certified or to prove that they are measuring the impact of their sites, products and services on the environment and have set quantified objectives for reduction (energy consumption, pollution in water, environmental pollution - water, soil and air -, production and treatment of waste, emissions related to the activity).

- **Products/services: Innovation and development of products/services with low environmental impact**

Manitou Group is particularly careful to market, no matter which country is concerned, machines that comply with the best environmental standards and endeavors to seek technical solutions that are efficient, innovative and useful to customers in terms of products and services.

Creating shared value with our suppliers is the aim of Manitou Group's CSR approach. The group therefore strongly encourages its suppliers to be proactive in putting forward suggestions for innovation and to adopt deliberate policies to allow Manitou Group to reconcile its economic objectives with its environmental objectives. These improvements may concern:

- Reducing the total cost of ownership of the machine throughout its life cycle (reducing the consumables necessary, increasing the lifetime, increasing the performance of the consumption/result pair, reducing costs and risks caused by using and recycling our products, etc.);



- Reducing consumption of materials or their impact in the manufacturing phase (replacement by materials produced from recycled matter; use of less emissive materials (e.g. Volatile Organic Compounds), reducing waste produced during production, reusable or biodegradable packaging solutions, etc.);
- Reducing the risk of polluting water, the air or soil related to this product or products used when supplying a service, whether during their use or at the end of their lives (e.g. recyclable or recoverable products);
- Reducing the environmental impact of the product throughout its life-cycle, including during transport, by optimizing the logistical chain.

*The supplier may have to communicate to Manitou Group all necessary information on the production of environmental assessments for its products.*

### • Protection of the health and safety

**Regulatory compliance:** Manitou Group has a duty to protect the health and safety of its personnel and users of its products. This is why Manitou Group requires its suppliers to, as a minimum, strictly comply with the legislation or standards in the country where the product is sold, in matters of health and safety.

**Chemicals:** the supplier must identify, manage and label chemical products and substances that are dangerous when they are released into the environment, to make sure that they are transported, stored, handled and recycled or reused in complete safety and in accordance with the applicable regulations.

**Voluntary initiatives:** Manitou Group would particularly appreciate initiatives from suppliers aiming to reduce the risk of affecting the health of its users, by using components that have less environmental impact, and by anticipating regulatory changes, such as on the reduction in exhaust particles and limits on solvents and Volatile Organic Compounds used in paint or maintenance products.

*In order to be able to supply its employees, customers and users with information relative to the product or service, its impact on the environment and the health and safety of customers and users, as required by the aforementioned OECD guidelines, Manitou Group may have to request its suppliers to provide it with all information that it may need, in accordance with the principle of transparency and traceability of each product or service supplied, throughout its value chain.*

## 2

## Principles related to respect for people

*Manitou Group adheres to the fundamental principles in the Universal Declaration of the Rights of Man and the fundamental conventions of the International Labor Organization. We respect local and international regulations on working conditions and we require our suppliers to respect them and have them respected by their own suppliers.*

- **Promotion of, and respect for, human rights and working conditions**

Manitou Group undertakes to respect universal human rights and the fundamental employment rights recognized by the ILO and thereby to exercise its duty of vigilance concerning respect for these rights within its sphere of influence. For this reason, Manitou Group requires its suppliers to respect the following international rights:

- [Discrimination \(Employment and Occupation\) Convention, 1958 \(ILO No. 111\)](#)  
This fundamental convention defines discrimination as any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation. It requires ratifying states to declare and pursue a national policy designed to promote, by methods appropriate to national conditions and practice, equality of opportunity and treatment in respect of employment and occupation, with a view to eliminating any discrimination in these fields. This includes discrimination in relation to access to vocational training, access to employment and to particular occupations, and terms and conditions of employment.

**Abolition of any form of forced or obligatory labor:** all work must be performed willingly and without threats or penalties. "Forced work" should be understood as any work imposed under threat (deprivation of food, non-payment of salaries, physical violence, confiscation of land, imprisonment, etc. (*ILO conventions 29 and 105*)) ;

**Prohibition on child labor:** the supplier shall refrain from employing children under the minimum legal age required for working, regardless of the country or the local jurisdiction under which the supplier provides its services for Manitou Group. In all cases, it is prohibited to assign dangerous work (likely to compromise the health, safety or morality) to anyone under 18 years of age. (*ILO conventions 138 and 182*)

**Reasonable salaries and fair compensation:** the supplier undertakes that salaries and benefits comply with national and local legislation and the regulations or collective agreements concerning minimum wages. Except in the case of restrictions or deductions authorized by the legislation, the regulations or collective agreements, salaries are paid directly to the workers concerned.

(*ILO convention 100*);





**Duration of work:** the supplier undertakes to ensure that workers have a duration of work in accordance with national legislation

- **Protection of the health and safety of workers**

**Respect for health and safety at work:** the supplier must provide a healthy and safe working environment and actively contribute to improving health and safety conditions. It makes sure that the activities do not harm the health and safety of its personnel, its subcontractors, those involved in operations and local residents. The legal provisions in force at the local level are the minimum required.



## Principles of partnership with our supply chain

"We recognize that our **suppliers** play a key role in our sustainability performances. **We aim at working in close partnership with them to design, implement and monitor our sustainability strategy.**"

- **Common approach to progress on added value creation**

Under this approach, Manitou Group wishes to take part in a common approach to progress:

- By promoting suppliers who support it in its responsible purchasing approach;
- By promoting suppliers who establish best practices and propose solutions aiming to reduce our environmental and social impact and improve our profitability;
- By supporting suppliers on these sustainability topics, with the establishment of CSR progress plans defined by joint agreement.

Manitou Group has defined a target level of performance for all these impacts, which is expressed in the purchasing policy.

This performance will be monitored through a score of suppliers, which covers quality, logistics, technical, purchasing, and CSR criteria.

- **Respect for professional and ethical practices and good-conduct rules**

In the same way that Manitou Group exercises its duty of vigilance concerning business ethics through the present Charter (OECD guidelines intended for multinational companies), the buyer requires its suppliers to exercise theirs.







Manitou group requires its suppliers to:

- Respect the elements of this charter
- Respect the ethical rules in conducting its business with its suppliers ;
- Conform to the laws and regulations anti-corruption in force in the countries where they carry on their activity and to act with care in order to act against corruption in all its forms, including the bribe and extortion of money (\*).
- Act against corruption in all forms, including extortion of money and bribes;
- Manage and protect confidential data and the intellectual property of its buyer or its suppliers;
- Within its sphere of influence, promote a process of continuous improvement on the "sustainable solutions" and "partnership" topics mentioned in the present Charter.

(\*) Manitou Group also fights against all the forms of corruption and informs its suppliers that it has adopted a code of conduct and anti-corruption, referring in particular to the Convention of the United Nations against corruption. This code is available on its website.

**Information to be supplied, confidentiality**

To help Manitou Group to know it better, the supplier undertakes to provide Manitou Group, upon request, with the information as necessary related to its qualification and all documents supporting its statements. Furthermore, it authorizes Manitou Group to check its declarations during internal or external audits. Manitou Group may, upon its sole discretion, communicate the results obtained by its suppliers within the context, amongst others, of benchmarks or training courses, without disclosing the identification of the supplier.

**Actions in case of breaches and anomalies**

The supplier undertakes to inform Manitou Group as soon as possible of the discovery, internally or at one of its subcontractors, of any breaches in the rules of business ethics or the employment or environmental regulations directly or indirectly concerning its relationship with Manitou Group, which may harm the reputation of Manitou Group.

In case of major anomalies, the supplier undertakes to regularize its situation as soon as possible and, failing this, Manitou Group may sanction this breach, notably by downgrading its overall performance score and therefore its referencing status, and/or take any measure justified by the non-compliance with its commitments.

**Commitment of Manitou Group**

In accordance with this partnership approach, Manitou Group also considers the responsibility that it has to its suppliers. For this reason, Manitou Group undertakes to make every effort not to impose conditions that would prevent suppliers from respecting the previously stated principles.





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# Signature

We hereby confirm:

- that we have received and understood all of the principles of Manitou Group's Responsible Purchasing Charter and their consequences for our relationship;
- that we undertake to report to Manitou Group the actions and avenues for improvement related to this Charter;
- that we will inform all our direct suppliers and encourage them to follow these principles.

Date: ..... / ..... / .....

Name of the company: .....

Name of representative: .....

Title of representative: .....

\_\_\_\_\_

Signature:

