



COMMUNICATION ON PROGRESS – 2014

May 2015



UN Global Compact

The UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption:

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

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Introduction

Faurecia Group adhered to the United Nations Global Compact in 2004. By doing so, the Group committed to abiding and promoting, in its business practices, a set of values and principles drawn from international texts and conventions relating to human rights, labor standards, environment and anti-corruption.

This Communication On Progress aims to share some of the key initiatives created, implemented or further deployed across Faurecia Group to ensure a consistent worldwide set of values, principles, standards, rules and guidelines in favor of the obedience to UN Global Compact's ten principles and their promotion.

Following a very rapid globalization and growth period, the Group has moved into the next stage of its development, with more steady growth and a focus on value creation. The company has re-defined its mission and cultural model within its 'Being Faurecia' cultural transformation program that was launched in March 2014 and been deployed through all levels of the organization.

The Group's Mission now embeds Faurecia's commitment to social and environmental responsibility.

The Group fosters:

- A safe and healthy workplace
- Positive involvement in the local communities
- Internal and external transparency

Faurecia's Code of Ethics, initially drafted in 2005, revised in 2007, was also updated in 2014 as part of the 'Being Faurecia' program. It defines the rules of business conduct that must be applied to our day-to-day relations both internally and with outside parties. It is mirroring the International Labour Organization's (ILO) Core Conventions.

This Code of Ethics, combined with our employees' sense of responsibility, establish the fundamental rules of business conduct and ethical guidelines applicable to all Faurecia employees and partners.

It covers the following subjects:

- Respect for fundamental human rights
- Development of economic and social dialogue
- People management
- Ethics and rules of business conduct

A Code of Management presents the behaviors expected of Group managers with clear do's and don'ts. The behaviors in the Code of Management cover the four main areas of Business planning, Business execution, Performance management & people development and Business ethics.

- The behaviors are underpinned by the notions of respect and transparency.
- The Code of Management contains the red lines of behaviors that are never tolerated, many of which are derived from the Group's Code of Ethics.

Faurecia and Human Rights

(Principles 1&2)

Code of Ethics (revised in 2014):

- Chapter 1 "Respect for Fundamental Rights"

2014 Registration Document:

- Section 4.3.3 "Respect of Fundamental Rights"
- Section 7.2 "Societal Action", especially 7.2.3.1 "Consideration of environmental and social issues in procurement policy" and 7.2.3.2 "Importance of outsourcing and consideration of social and environmental responsibility in relations with suppliers and subcontractors".

Faurecia and Labour

(Principle 3)

Code of Ethics (revised in 2014):

- Chapter 2 "Development of Economic and Social Dialogue"

2014 Registration Document:

- Section 4.3.2 "Greater Social Dialogue and Consultation with Employee Representatives »

(Principles 4&5)

Code of Ethics (revised in 2014):

- Section 1.2 "Prohibition of Child Labour"
- Section 1.3 "Elimination of all Forced Labour"

2014 Registration Document:

- Section 4.3.3.1 "Prohibition of Child Labour"
- Section 4.3.3.2 "Elimination of all Forced Labour"

(Principle 6)

Code of Ethics (revised in 2014):

- Section 3.1 "Equality of Treatment and Non-Discrimination"

2014 Registration Document:

- Section 4.3.3.4 "The Elimination of Discrimination in Terms of Hiring and Occupation"

Faurecia and Environment

(Principles 7, 8&9)

Code of Ethics (revised in 2014):
Section 1.4 "Respect for the environment"

2014 Registration Document:
Section 7.1 "Faurecia and the Environment"

Faurecia and Anti-Corruption

(Principle 10)

Code of Ethics (revised in 2014):
Section 4 "Ethics and Rules of Business Conducts"
Section 5 "Reporting Infringements to the Code of Ethics"

2014 Registration Document:
Section 7.2.4.1 "Action to Prevent Corruption"