

**CIRQUE DU SOLEIL.**



## **Responsible Procurement Policy**

**Effective date: January 1<sup>st</sup>, 2009**

**Adopted by the Executive Board on September 19, 2008**

### **1. Introduction**

*Cirque du Soleil* is a corporate citizen that strives to achieve a balance between its economic, social and environmental interests by acting in a manner that is socially meaningful and responsible. Going beyond simple philanthropy, this means ensuring that the organization's values are reflected in all of its business and management decisions. Cirque's sense of good citizenship is part of its "genetic make-up," embodied in a process of sharing and inspiration that appeals to all organizations and individuals in the community to stand forth as fully committed members of society. This is a long-term process, progressively achieved through the organization's day-to-day actions.

*Cirque du Soleil* is a truly a global organization, interacting with a growing number of suppliers and business partners, and we feel there is a need to set up a responsible procurement program as well as to establish a dialogue with our partners and suppliers on the challenges of social responsibility.

### **2. Scope and Objectives**

#### **2.1 Scope**

The Responsible Procurement Policy applies to all employees related to the procurement cycle at *Cirque du Soleil* and includes all suppliers involved in purchases and, purchase orders, P-Card and any written agreement between Cirque and a vendor, service provider, agents, contractor, sub-contractor, distributor, third party, or self employed consultant. Agreements with partners and promoters are governed by the social responsibility clause which makes a reference to responsible procurement practices.

## **2.2 Objectives**

The purpose of the responsible procurement policy is to implement principles and measures to ensure that the products that the organization put on the market, as well as the products and services that it purchases are manufactured in a manner that is respectful of the environment and the rights of workers.

## **3. Responsibilities**

### **3.1 Authority**

The Responsible Procurement Policy is the responsibility of the Vice-President of Global Citizenship.

### **3.2 Approval**

The Responsible Procurement Policy is approved by the Executive Board of *Cirque du Soleil*.

### **3.3 Compliance**

The principles of this policy were inspired by the standards set out by the International Labour Organization (ILO) as well as a sustainable development approach.

All *Cirque du Soleil* employees related to the Procurement cycle shall be aware of this policy and monitor its application.

Suppliers must always carry out their business in a manner that complies with all applicable local laws. Should the principles outlined in this policy and local laws touch on the same issues, the highest standard will apply.

Cirque will use an approach based on collaboration and dialogue with its suppliers, rather than a coercive approach, and will work alongside its suppliers to correct any problematic situations.

Cirque is committed to implementing a system to control and verify the application of its responsible procurement policy. The suppliers may be subject to verification by *Cirque du Soleil* or a third party (on-site audits or mailed questionnaires). Suppliers agree to cooperate with *Cirque du Soleil* and to disclose any information pertinent to the principles set out in the *Cirque du Soleil* responsible procurement policy.

## **4. Principles**

### **4.1. Environment**

Suppliers must act in a way that is environmentally responsible by demonstrating a concerted effort to improve their performance in this respect and by demanding the same of their suppliers. This includes:

- Considering the environment when making business decisions;
- Respecting the legal requirements to which the business must comply with regard to the environment;

- Implementing measures to prevent pollution;
- Ensuring that the environment is taken into consideration when designing and developing products or services;
- Ensuring that the company's environmental performance is progressive and includes measures to improve its management of water, energy and residual and hazardous materials.

## **4.2. Labour**

### **4.2.1 Child Labour<sup>1</sup>**

No child labour shall be employed if younger than 15 years old (or 14 where the law of the country of manufacture allows), or younger than the age for completing compulsory education in the country of manufacture, whichever is higher.

Children and young persons under 18 shall not be employed at night or in hazardous conditions.

Companies shall develop or participate in and contribute to policies and programs which provide for the transition of any child found to be performing child labour to enable her/him to receive quality education until s/he is no longer a child.

These policies and procedures shall conform to the provisions of the relevant ILO standards.

### **4.2.2 Forced Labour<sup>2</sup>**

There shall not be any use of forced labour, whether in the form of prison labour, indentured labour, bonded labour or otherwise.

Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer with reasonable notice.

### **4.2.3 Freedom of Association and Collective Bargaining<sup>3</sup>**

Employers shall recognize and respect the right of employees to freedom of association and collective bargaining.

### **4.2.4 Health and Safety**

The employer shall provide a safe and healthy working environment and shall take adequate steps to prevent accidents and injury to health arising out of, associated with or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

### **4.2.5 Discrimination<sup>4</sup>**

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<sup>1</sup> ILO conventions C138 and C182 and recommendation 146 on Minimum Age

<sup>2</sup> ILO conventions C29 and C105

<sup>3</sup> ILO conventions C87 and C98

<sup>4</sup> ILO convention C111

No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.

**4.2.6 Hours of work**

Suppliers must comply with all applicable laws. Employees shall be compensated for overtime hours in accordance with applicable laws.

**4.2.7 Harassment or abuse**

Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

**4.2.8 Wages and Benefits**

Employers recognize that wages are essential to meeting employees' basic needs. Employers shall pay employees at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and shall provide legally mandated benefits.

The company shall ensure that deductions from wages are not made for disciplinary purposes and that all wages and benefits are detailed clearly and regularly for workers.