

Membership terms and conditions

2016-2017 scope of work

1. What is Railponsible?

Railponsible is an initiative focused on sustainable procurement, with the aim to continuously improve the sustainability practices within the railway industry supply chain. In March 2015, Railponsible was officially launched and kicked off its first priority activity, driving common supplier assessment campaigns using [EcoVadis](#).

With the end of the first Railponsible year in March 2016, nearly 430 suppliers have been scored, and results have been shared between the members of the initiative (with the agreement of suppliers).

2. Who are Railponsible members?

Railponsible is open to all railway operators and companies across the railway industry value chain, along with key industry associations, that share its vision, mission and commitments.

The current members are:

1. Alstom;
2. Bombardier Transportation;
3. Deutsche Bahn;
4. Knorr Bremse;
5. Nederlandse Spoorwegen;
6. SKF;
7. SNCF.

3. Why was Railponsible established?

Sustainability requirements are becoming an increasingly important element of procurement decisions for the railway industry and other industries. Social, environmental, ethical and economic issues are correlated with supply chain risk and opportunity, and as such, companies are increasingly demanding more evidence from their suppliers about their practices in these areas.



4. What are the benefits for members?

Railsponsible members have the opportunity to:

- » **Demonstrate leadership** in sustainable procurement practices by joining this industry initiative; get involved from the beginning to shape the initiative as it develops.
- » **Track the sustainability performance of suppliers** and improve internal sustainability risk management processes
- » **Drive and gain insights into the overall industry performance**, through participation in industry-wide supplier assessment campaigns with a common platform and common questionnaire; benefit from the shared efforts to engage and assess supplier sustainability performance and shared KPI reports for the initiative
- » **Share best practices with peers** about how to manage key sustainability trends and challenges in the railway sector

5. What do Railsponsible members do, and what will Railsponsible be working on in 2016-2017?

Railsponsible members jointly commit to driving good ethical, social, environmental and business practices within the railway supply chain.

The main activities of the group for this year will be:

- Taking action to promote supplier engagement, by encouraging supplier participation in the shared supplier assessment campaigns
- Promoting the initiative and its purpose to the industry and suppliers, to drive a common approach across the whole of our industry
- Participating in impactful quarterly membership meetings to discuss progress against the initiative objectives, and to learn from and share best practices for sustainable procurement in the railway and other sectors
- Benefiting from analysis of data in terms of how suppliers are progressing with their sustainability performance, and identifying supply chain sustainability priorities for collective industry action

6. How can I join?

Membership of Railsponsible is open to any company in the railway industry supply chain that believes in the vision and mission of the initiative, with the following requirements.

Members must: have their CPO sign the Initiative Charter, demonstrating that their company shares the vision, mission and commitments of the organization; sign the Initiative Scope of Work and pay the annual

membership fee; and sign up for an [EcoVadis](#) subscription at Railsponsible rates, and commit to promoting supplier assessments to 100 suppliers or 60% of relevant procurement spend.

7. How is Railsponsible governed?

Railsponsible is technically a voluntary membership group of companies. It is facilitated by [BSR](#), a global not-for-profit organization that works with global business on sustainability issues.

Members of Railsponsible have committed to comply with all relevant antitrust and competition laws and regulations, and the initiative has enacted an antitrust statement that is published on the website.

Railsponsible has two main governance bodies who determine the strategy and drive the activities for the initiative:

The **Leadership committee** is made up of the CPOs (or relevant C-suite representative) of each of the participating companies. The leadership committee has oversight for the initiative

The **Membership committee** is made up of representatives from each of the participating companies; this group has the role to plan and implement the activities for the initiative.

8. What is the relationship between Railsponsible and other initiatives in the rail sector, such as IRIS and the ERPC Sustainable Procurement Working Group?

There are other railway industry initiatives that Railsponsible members and stakeholders are aware of and involved in.

IRIS (the International Railway Industry Standard) is a globally recognized certification standard in the railway sector for the evaluation of management systems, applicable to Rolling Stock and Signaling companies. IRIS is promoted by UNIFE, and supported by operators, systems integrators and equipment manufacturers. IRIS and Railsponsible are aligned in the pursuit of improving practices; however, the approaches and areas of focus are different. The IRIS system is focused on onsite audits and certifications of technical, quality and environmental management systems, and applies to rolling stock and signaling companies. Railsponsible is a forum for exchange of CSR and sustainability practices for the whole rail industry value chain, and does not involve certification, instead relying on desktop assessments with document evidence from suppliers.

The **ERPC** (European Railway Procurement Council) established a sustainable procurement working group, which meets periodically to discuss relevant topics in relation to sustainable procurement. The focus of these discussions to date have been around technical environmental specifications rolling stock and other equipment manufacturers, with the aim of improving products.

Railsponsible will continue to actively engage with these and other related initiatives.

For more information, please contact railsponsible@bsr.org

For Suppliers:

9. How can railway industry suppliers participate in Railsponsible?

There are two ways in which suppliers can participate in Railsponsible: (1) Participate in the common supplier assessment program, and (2) Join as full members of Railsponsible.

1. *Participate in the common supplier assessment program*

Suppliers will receive a request from one or more of their railway industry customers, members of Railsponsible, to sign up to EcoVadis and have an assessment performed by [EcoVadis](#). EcoVadis will manage the entire assessment process. Suppliers will have to respond to one common questionnaire.

On the EcoVadis system, suppliers have full control over who can see their information and assessment results, and can opt to share this information with any of the Railsponsible members who are their customers. Railsponsible members will have visibility over a list of supplier names that are participating as well, so that suppliers and buyers can easily connect to share information if relevant, reducing duplication of effort for suppliers. The EcoVadis assessment must be renewed annually.

2. *Join as full members of Railsponsible*

Membership of Railsponsible is open to any company in the railway industry supply chain that believes in the vision and mission of the initiative, and is able to meet the requirements of joining, as described earlier in this document.

10. What are the benefits for suppliers of Railsponsible?

Suppliers that engage with Railsponsible have the opportunity to:

- » **Demonstrate commitment to good ethical, social, environmental and business practices** to customers and potential customers
- » **Get ahead of the sustainable procurement requirements curve;** as more buying organizations increase their demands for sustainable practices and start to incorporate sustainability criteria into their awarding criteria, participation the
- » **Benefit from the shared supplier assessment approach;** one assessment will be valid for multiple clients; with a common online platform and common questionnaire requested by your customers, thus avoiding duplication of efforts and costs in responding to multiple requests of assessments from buyers.
- » **Benchmark your sustainability practices** against companies in the same industry sector, and identify strengths and possible areas for improvement

For more information, please contact railsponsible@bsr.org

About BSR

BSR is a global nonprofit organization that works with its network of more than 250 member companies to build a just and sustainable world. From its offices in Asia, Europe, and North America, BSR develops sustainable business strategies and solutions through consulting, research, and cross-sector collaboration.

Visit www.bsr.org for more information about BSR's 20 years of leadership in CSR.

About EcoVadis

EcoVadis was incorporated in Paris, France early 2007 with the objective of becoming a trusted partner of procurement organizations aiming at implementing sustainable supply management practices.

EcoVadis aims at improving environmental and social practices of companies by leveraging the influence of global supply chains.

Combining innovative information technologies and a shared service expertise on sustainable procurement topics, EcoVadis wants to help procurement organizations improve their performance, while reducing the costs associated to suppliers CSR performance monitoring.

Visit www.ecovadis.com for more information.