

To All Direct 3rd Party Suppliers performing work for Alcatel-Lucent.

October 15th, 2013

Subject: Alcatel-Lucent Zero Tolerance Safety Principles & Non-Conformance Consequence Mechanisms

As we continue to work together to eliminate accidents and injuries on worksites assigned to you by Alcatel-Lucent and operations, this letter is to reiterate Alcatel-Lucent's [prior announcement](#) regarding the adoption of a "Zero Tolerance approach" and establish the consequences for non-compliance with our safety requirements and guidelines while performing work for Alcatel-Lucent.

7 ZERO TOLERANCE PRINCIPLES

Based on field experience we have established that most fatalities are caused by non respect for seven (7) basic safety rules. As a result, we are highlighting our focus on the following "Zero Tolerance Principles":

- **Always use personal protective equipment and fall arrest systems** (Always wear approved harnesses/restraints when working at heights, attaching these devices 100% of the time.);
- **Never work under the influence of alcohol or drugs;**
- **Never work on or in the vicinity of energized equipment unless qualified;**
- **Always have a lift plan** when using cranes and hoists;
- **Never exceed speed limits** or travel at speeds which are dangerous for the type of road, vehicle, or conditions;
- **Always wear seat belts** when travelling in, or operating, motor vehicles; and
- **Never use a hand held phone** or text while driving.

Details of all applicable Alcatel-Lucent Environmental Health and Safety (EHS) requirements can be found in the [Alcatel-Lucent Subcontractor EHS Manual](#), which is an Alcatel-Lucent contractual requirement.

CONSEQUENCES FOR NON-COMPLIANCE WITH ZERO TOLERANCE PRINCIPLES

For purposes of this letter, Supplier Personnel includes, but is not limited to, Supplier's direct, full time, part-time, temporary and contracted employees, consultants, subcontractors and any other third parties hired or used by Supplier to provide the services or perform the work at the Alcatel-

Lucent assigned work sites (“Supplier Personnel”). Supplier will be responsible for the safety and compliance by all of Supplier Personnel.

Consequence for SUPPLIER PERSONNEL (OWN OR LOWER TIERS)

- Individuals not complying with Alcatel-Lucent’s safety requirements and guidelines including, but not limited to, the Zero Tolerance Principles listed above, may be immediately removed from the work site and may not be allowed to perform work for Alcatel-Lucent going forward.

Consequence for SUPPLIERS COMPANY

In addition to the steps above to be taken against individual Supplier Personnel, Supplier’s Company shall face the following:

- For the first instance, where there is a near miss or no serious injury, Supplier’s Company will receive a formal written “Warning”.
- For repeated non-compliance, or a first instance with a serious injury, Supplier’s Company may be removed from doing work for Alcatel-Lucent. Supplier will then need to demonstrate implementation of a suitable Corrective Action Plan to be considered for reinstatement.

In the coming months, we will work with you to strengthen the qualification steps and operational processes allowing the achievement of expected EHS performance levels. Together we must ensure that all individuals and companies across the supply chain understand how to work safely and the critical importance of following Alcatel-Lucent’s safety requirements and guidelines, including the Zero Tolerance Principles, to allow everyone to return home safely at the end of each work day.

We need your full support and attention in this area.

Sincerely,

Jean David Calvet
Chief Procurement Officer

Ravi Parmasad
Chief Quality and EHS Officer

*** Original signed ***

