Introduction by Guillaume Pepy

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The Board of Directors was notified of these guidelines on 17 February 2011.
The goal I share with all of you—to make SNCF a provider of ecomobility services with global reach—is now underpinned by each of our business sectors, drawing on a raft of expertise that comes together to form a greater whole with real synergy.

Achieving this goal with lasting results depends on the ethical approach embodied by each and every one of us.

Our history gives us real reason to be proud: it has forged our culture, honed our skills and endowed us with well-respected operational units.

The glue that binds these different elements together is formed by our complementary business lines, including our network, our ability to carry passengers and freight in compliance with the highest safety standards, and our ability to satisfy customers. Another key aspect is our capacity to effectively control costs stemming from the gradual disappearance of borders while successfully handling the emerging competition that comes with such changes.

These goals require us to forge a common bond through shared values that are specific to our business, including responsibility, proximity and innovation, as well as others linked to the individual conduct of each employee, such as respect for others, solidarity and integrity.
“ACHIEVING THIS GOAL WITH LASTING RESULTS DEPENDS ON THE ETHICAL APPROACH EMBODIED BY EACH AND EVERY ONE OF US”

Our ethical approach should aim to bring these values to the fore, weaving them into our everyday actions and conduct while constantly focusing on the purpose and consequences of what we do and sharing best practices with our colleagues.

Ethical business conduct is first and foremost about adopting the “right attitude”, avoiding any sort of dishonourable behaviour or conflict of interest with respect to the company, its customers or its suppliers.

Second, ethics involves striving for the “right conduct” to make each and every one of us a worthy representative of the company, its business units and its subsidiaries. That means staying true to the company, ensuring transparency when we act in its name, respecting others and leading by example.

Lastly, ethics is also, in our case, about respecting the customers and local authorities that put their faith in us on a daily basis around the world.

The SNCF board of directors has reviewed this Ethics Guide and recommends that every employee discuss it as often as needed with their manager. These guidelines are aimed at all company business sectors and may be broken down as required to provide a practical guide for different business units, subsidiaries, functions and areas of expertise.

GUILLAUME PEPY
SNCF CHAIRMAN
On the whole, our production and administrative processes are covered by procedures that include internal control provisions. However, individual conduct can fall outside these provisions as it is difficult to monitor in a broad sense, often lying beyond the bounds of the aforementioned processes. The SNCF Ethics Guide aims to remind all employees of a few principles that can help in dealing with specific situations that can sometimes be difficult to gauge.

Inappropriate individual conduct can have a significant negative impact on our business, our reputation and our image at every level of the company and even, as a result, on the SNCF Group as a whole. This guide aims to provide everyday advice to help everyone adopt the right attitude when it comes to respecting others, respecting customers, respecting contracts and respecting the rules and regulations we live by.

The guide also gives every employee a means to report or reach out for assistance regarding unethical conduct linked to issues such as fraud or embezzlement, mainly in cases where conventional channels are not enough.

Lastly, this guide encourages anyone facing an abnormal or difficult situation to seek the right response, either individually or with the help of a manager. This task is made easier by answering four universal questions:
1. Is my decision in the interests of the company?
2. Is my decision consistent with the values of the company and/or my job?
3. Does my decision meet legal requirements?
4. Am I ready to assume full responsibility for my decision with regard to my colleagues, other employees, my superiors or third parties?
SIMPLE PRINCIPLES, HIGH STANDARDS
Forging strong, lasting relations with stakeholders—such as customers, suppliers and local authorities—means understanding that the interests of the company lie in maintaining a balanced relationship with these different parties. That involves treating our contacts with respect, courtesy and professional diligence in line with rules with which we are required to comply or which we apply ourselves when acting in the interests of SNCF.

In this respect, each and every one of us should be careful not to:

- put ourselves in a situation that gives rise to a conflict of interest, such as being involved in a decision that promotes individual interests over the interests of the company;
- seek or accept gifts of any kind that may influence a decision, now or in the future;
- offer undue compensation, involving financial gain, influence or other benefits, as part of or alongside business dealings.

Such situations can sometimes be difficult to detect and warrant asking questions more frequently than in other cases, particularly when the employee is making decisions with regard to business transactions. An immediate supervisor may provide further assistance on such matters.

In addition to these common-sense principles, our ethical approach aims simply to ensure the success of SNCF and its business sectors, defend their interests, and cultivate lasting commercial, social and institutional relations based on respect for our partners.

Above and beyond these situations, best practices in business conduct are underpinned by fair and faithful transactions coupled with a professional approach apt to strengthen our reputation.

The integrity expected of each individual is a cornerstone of our quest for excellence, both in terms of our customer service—which means only making promises we can keep—and the overall interests of SNCF.
Although it may seem obvious, it is each individual’s professional responsibility to respect the relevant legal requirements governing their work environment, whether they involve international, national or more specific regulations. The same applies to respecting contractual commitments.

Since the legal field is often complex, key issues linked to our business—such as matters related to safety and competition law—should be clarified and discussed where applicable.

Each of us should also be aware that increasingly specific, esoteric legal matters often require expert input, either from a manager or from legal specialists, once they reach a certain level of complexity. Such requirements allow us to better understand and manage individual legal risks as needed.
SNCF operates in a competitive environment. Its capacity to react to that environment is a reflection of the benefits it offers to customers, thereby contributing to its own lasting success.

Rules governing the free market have a direct impact on the majority of our activities and will very soon apply to all of our operations. The company therefore needs to respect national and international regulations governing competition; it steadfastly rejects any practice that contravenes these standards.

This is an issue central to the concerns of the company’s divisions and business lines. For instance:

- **Gares & Connexions** must ensure free access to stations for all rail companies carrying passengers;
- **Direction des Circulations Ferroviaires (DCF)** ensures strict compliance with rules governing access to and use of the railway infrastructure;
- **SNCF Proximités** incorporates issues related to deregulation in regional rail transport.

All employees affected by these issues are asked to demonstrate vigilance in their conduct to ensure compliance with competition rules and are expected to refrain from slandering or disparaging competitors. In this respect, we should avoid any conduct or comments that we do not wish to be associated with SNCF. Employees of entities that provide services to our competitors (Gares & Connexions, DCF, Sillons, etc.) receive detailed information on provisions specific to their line of business. Any employee involved in these areas should be particularly aware of the need to ensure fair treatment of competitors, in the interests of the company itself.
Respecting others in our everyday relations has long been an issue central to a whole range of business lines and involves the millions of passengers who use our stations, trains, metros, trams, buses and coaches on a daily basis.

SNCF attaches special importance to ensuring that each of its employees treats others—whether customers, colleagues, partners, suppliers or supplier personnel—with the care and attention needed to maintain a professional reputation of the highest standard.

This includes respecting other people’s rights, dignity and culture. On an everyday level, this reflects the importance of giving customer comfort priority over our own immediate concerns should such a situation arise.

SNCF encourages all employees to uphold these principles in their dealings with others, which means paying particular attention to respecting the private lives of each individual, applying company policy on diversity, non-discrimination and the prevention of any form of moral or sexual harassment. Cultural developments and differences in understanding between generations can also give rise to difficulties.

These issues deserve to be addressed more frequently than others to ensure individual conduct is appropriate for the situation at hand. Immediate supervisors can provide input to assist in this regard.

Ethics also give rise to rules of conduct that help employees avoid any behaviour that risks putting them in difficulty or tarnishing the image of the company. The goal is to ensure that each individual acts in a manner consistent with respect for others.
The quality of relations between SNCF and its employees affects the performance of the former and the personal fulfilment of the latter. The quality of this relationship over time strongly influences the way in which all partners perceive SNCF and its employees.

As part of this drive to build lasting relations with all stakeholders—including customers, suppliers and local authorities—all employees are expected to demonstrate fair and faithful conduct in their business dealings, in which the interests and image of the company must always be of paramount importance.

As a result, each individual is expected to act in good faith while constantly striving to be constructive. That in return allows us to expect the same professionalism and behaviour of the people we deal with to build a relationship based on mutual trust.

SNCF expects the same standards of loyalty and good faith in relations between colleagues, along with a drive to ensure transparency in the work environment by providing comprehensive, detailed information. These standards include the attention that each person should devote to preserving the use and value of company assets.

In some cases, employees may find themselves working as an elected representative or through an association. These activities must be exercised in a manner that avoids any conflict of interest or suggestion of acting on behalf of SNCF.

Talking to the media is strictly subject to approval from an immediate supervisor whenever this is done in the name of SNCF.
Protecting the information obtained in the course of business requires constant vigilance, the importance of which can often be underestimated.

Any confidential information relating to customers, partners, suppliers and employees must always be safeguarded, with special attention paid to the methods used to protect such data.

In addition to specific regulations, such as those set out by the French data protection authority (CNIL) or with regard to tenders, each individual must take the necessary steps to protect any information they obtain in the course of business, ensuring such information is not communicated or distributed. This involves using adequate methods to prevent any inappropriate or malicious use of their workstation.

Some information may also be of special interest to and used by competitors, suppliers or even customers. This naturally runs contrary to the interests of SNCF.

Employees particularly exposed to such risks should regularly assess their position and talk to supervisors and SNCF experts to ensure that relevant procedures are in place and that the correct approach is adopted and applied.

Conversely, SNCF policy prohibits any illicit attempt to obtain information on competitors or partners.
MANAGERS & ETHICS

Being a manager means being responsible for supervising and leading a team within the work environment. Teams large and small expect to be organised, guided, encouraged, trained and valued by their manager with the specific goal of achieving one or more clear targets that are identified, recognised and shared in the interests of SNCF.
THE ETHICS GUIDE: A RESOURCE FOR MANAGERS

A manager is the first person to whom an employee can turn for help in clarifying certain topics covered in this guide, or for assistance in seeking answers to ethical issues. It is important that managers familiarise themselves with this guide and discuss it regularly, referring to it when needed while promoting, implementing and upholding its goals.

A PROACTIVE APPROACH AMID BURGEONING REGULATIONS

Managers are expected to identify and clarify the purpose of their actions and those of their employees.

Convention and circumstances can lead people to quickly lose this sense of perspective and, as a result, their overall bearings amid burgeoning regulations.

Beyond the realm of transport safety, where regulations must be followed to the letter by all parties, it is often necessary to refocus on the purpose of regulations to hone in on function rather than form, the spirit of the rules rather than the letter. Naturally, this practice does not dispense us from applying regulations; rather, it seeks to clarify the purpose of action taken.
LEADING BY EXAMPLE

Leading by example means being able to clarify decisions by promoting collective interests over personal precedents.

Managers’ conduct and behaviour send a strong message to others. However, managers themselves can often underestimate their impact—positive or negative.

The ability to lead by example provides a quick and clear demonstration in the work environment that managers also subscribe to SNCF values, along with the ethical standards that result from and convey these values. It is this consistency that underpins our ethical approach.

Setting the standard in this way has the advantage of triggering similar behaviour elsewhere. Managers are instrumental in achieving these goals in companies. That is why the SNCF board of directors has set out to ensure that all senior executives provide written acknowledgement of having read this Ethics Guide along with a commitment to respect its message and code of conduct.
SNCF provides all employees with a means of disclosing information on unethical practices in the workplace according to guidelines set out by the French data protection authority (CNIL) with a view to acknowledging, recording and resolving any issue reported in good faith relating to cases of fraud, corruption, anti-competitive practices or embezzlement.

This system in no way replaces the work of existing bodies or the use of conventional channels available to employees (provided by immediate supervisors, HR managers, finance managers, employee representatives and the labour inspectorate). The “whistleblowing” system was put in place in the interests of the collective and should be used as a last resort. Its use is not mandatory.

Employees using the system may choose the manner in which they report unethical conduct to the SNCF Ethics Director.

Anyone reporting unethical conduct in good faith shall be protected against legal action or proceedings resulting from the decision to report an infringement. However, wrongful use of these procedures exposes those responsible to disciplinary action or prosecution.

Individuals who use the system to report unethical practices are guaranteed anonymity under internal procedures put in place by the Ethics Department. The rights of those whose conduct is called into question are also respected.

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THE ETHICS COMMITTEE

The Ethics Department conducts its work with the support of the Ethics Committee, which acts as a sounding board and a means of promoting ethical conduct at SNCF. The Ethics Committee comprises senior executives appointed by the Chairman representing all business sectors. Membership is constantly updated and listed on the Ethics Department website.

THE ETHICS HOTLINE

With a view to providing preventive measures separate from the aforementioned channels for reporting unethical conduct, the ethics hotline allows all employees to receive advice on how to deal with specific situations.

The Ethics Department is on hand to answer any question on such matters.

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SNCF ETHICS GUIDE
GLOSSARY

TRANSILIEN
provides daily transport services in the Greater Paris region under contract with public transport authorities, including urban and intercity services through the subsidiary Keolis.

GARES & CONNEXIONS
is a special SNCF division separate from transport operations involving rolling stock. It covers management and development of 3,000 stations throughout the French rail network, ensuring equal treatment and fair, transparent pricing for all train companies that use stations.

DIRECTION DES CIRCULATIONS FERROVIAIRES (DCF)
is the entity in charge of traffic management on the national rail network, working for and in line with management principles and targets set by the French railway infrastructure manager Réseau Ferré de France (RFF).

SILLONS (SL)
is an SNCF entity tasked with overseeing the defence of SNCF interests in dealings with the RFF on issues regarding access to the national rail network.
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