

### **MOVING FORWARD RESPONSIBLY**

2011 CORPORATE SOCIAL RESPONSIBILITY OVERVIEW

1 MESSAGE FROM MANAGEMENT

# 3 EMPLOYEES

2 GOVERNANCE

> 6 PRODUCTS

7 SUPPLY CHAIN



4 OPERATIONS

> 8 RESPONSIBLE CITIZENSHIP

### ABOUT THIS OVERVIEW

This overview features highlights of our corporate social responsibility (CSR) performance during fiscal year 2011, which runs from February 1, 2010 to January 31, 2011. Qualitative highlights cover the same period, as well as February 2011 to June 2011. All amounts are in U.S. dollars unless otherwise stated. We will issue our next CSR Report in spring 2012.

#### YOUR FEEDBACK

Let's continue the dialogue on CSR. Tell us what you think about our CSR performance by emailing us at csr@bombardier.com.

TEFRO 380 very high speed train



### MESSAGE FROM MANAGEMENT





IN 2011, BOMBARDIER RANKED AMONG THE 342

MOST SUCCESSFUL COMPANIES IN THE WORLD

FOR ECONOMIC, ENVIRONMENTAL AND SOCIAL PERFORMANCE ON THE DOW JONES SUSTAINABILITY WORLD INDEX.

AMONG THE 143 MOST SUCCESSFUL COMPANIES IN NORTH AMERICA IN TERMS OF SUSTAINABLE BUSINESS PRACTICES ON THE DOW JONES

SUSTAINABILITY NORTH AMERICA INDEX.

### DOING THINGS DIFFERENTLY

If you've been following our CSR reporting regularly, you'll notice that this year we're doing things differently. Moving forward responsibly involves a natural momentum. And that means, as we move forward and evolve, we're constantly examining our way of doing things and how it can be improved. Part of this process included taking a look at our CSR reporting to ensure that our stakeholders receive the most up-to-date and reliable CSR information.

In preparation for external verification, and as part of our commitment to continuous improvement, our Corporate Audit Services and Risk Assessment (CASRA) team completed an extensive audit of our CSR reporting processes and systems. We're now implementing CASRA's recommendations to improve not only the quality of our CSR information, but its materiality and timeliness.

Until this year, we've issued a comprehensive CSR Report every fall since 2008, a full seven months after our Annual Report. To address the issue of timeliness, this year we decided to align the publication of our CSR Report with our Annual Report in spring 2012. In the interim, this overview presents a snapshot of our CSR activities over the past year. A year of transition, alignment and improvement. A year in which we've done things differently and connected more dots to continue moving forward responsibly.

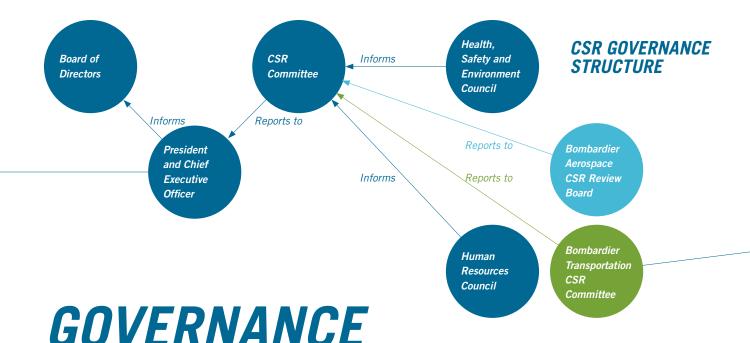
We invite you to visit our dedicated CSR website, www.csr.bombardier.com, for a full picture of our activities throughout fiscal 2011 and our latest CSR news, performance data and recognitions.

#### Pierre Beaudoin

President and Chief Executive Officer

#### **Daniel Desjardins**

Senior Vice President and General Counsel **CSR Committee Chairman** 



### 5TH TIME LISTED

ON BOTH DJSI WORLD AND DJSI NORTH AMERICA INDEXES SINCE 2007

### AMONG THE BEST 50

CORPORATE CITIZENS IN CANADA IN 2011 AND #1 IN THE ENVIRONMENT CATEGORY (CORPORATE KNIGHTS, JUNE 2011)

### AMONG THE TOP 50

SOCIALLY RESPONSIBLE COMPANIES IN CANADA (MACLEANS/JANTZI-SUSTAINALYTICS, JUNE 2011)

### 5 LANGUAGES

MAKE OUR NEW B-ETHICS NEWSLETTER
MORE ACCESSIBLE TO EMPLOYEES WORLDWIDE

### ETHICS NEWSLETTER: GAINING MOMENTUM

In July 2010, we launched a quarterly newsletter to raise awareness of our Code of Ethics and Business Conduct and related issues as well as to reaffirm our commitment to ethics. As the newsletter grew in popularity, our Ethics and Compliance Office received increased requests for greater distribution. Today B-ethics is published in English, French, German, Spanish and Swedish. It features information on ethics training, our Code's governance, available resources, case studies of misconduct and upcoming ethics-related activities.

#### "SAY ON PAY" VOTE PASSED

We've been monitoring recent developments and emerging trends in "Say on Pay" for several years now. These advisory, non-binding votes grant shareholders a say on executive compensation. At our annual general meeting in June 2011, more than 99% of shareholders approved the "Say on Pay" resolution and our Board of Directors implemented this practice for the first time. We're proud to be among the leaders of Canadian corporations to adopt an annual "Say on Pay" vote, furthering our commitment to good governance and giving shareholders a voice.

# **EMPLOYEES**

(62.500 LAST YEAR)

(90 LAST YEAR)

(20 LAST YEAR)

LEADERSHIP POSITIONS<sup>1</sup> (SAME AS LAST YEAR)

Transportation employee, Crespin site, France

<sup>1</sup> Managers, Directors and above across Bombardier

### **OUR GOAL: WORLD-CLASS** TALENT MANAGEMENT

This year we implemented a new global talent management tool called BTALENT as part of our Global Talent Roadmap. This tool not only helps us manage our talent globally, it also empowers our employees to develop their careers. The key is visibility. From mobility to skills to languages spoken and interests outside work, BTALENT enables us to better understand what our talent offers us and what opportunities we can provide to them. By capturing this information, we're enhancing our ability to match our needs with those of our employees.

### FIRST COMPANY-WIDE HSE LEADERSHIP CONFERENCE

In March 2011, we held our first Health, Safety and Environment (HSE) Leadership Conference uniting representatives from our global HSE community. The two-day conference strengthened our managers' HSE commitment, dialogue among the teams and alignment across our business groups. Participants explored strategies for achieving zero accidents and world-class HSE performance throughout Bombardier, another example of our determination to continuously raise our standards in HSE.

#### Accident Frequency<sup>2</sup>

(Transportation results are calculated per calendar year)

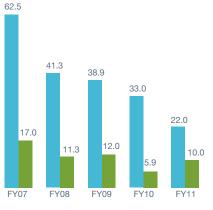


- Aerospace Transportation Industry Benchmark ≤ 0.5
- <sup>2</sup> Total number of accidents with lost workdays plus number of restricted duty cases resulting from workrelated accidents normalized per 200.000 hours worked

### Accident Severity3 (Transportation results are calculated

per calendar year)





3 Total number of lost workdays and days of restricted duty resulting from workrelated accidents normalized by 200.000 hours worked

"I strongly believe that caring for health, safety and the environment is a fundamental mark of respect for our employees and their families. As managers in a global corporation, we must act as role models and be committed to offer the same high-level standards for health, safety and the environment wherever we operate."

#### Pierre Beaudoin

President and Chief Executive Officer

# **OPERATIONS**

OUR FIVE-YEAR REDUCTION EQUIVALENCIES (FY2007 TO FY2011)

**WATER CONSUMPTION:** 

FILLED 88 OLYMPIC-SIZED SWIMMING POOLS

WASTE:

TOOK MORE THAN 260 LOADED TRUCKS OFF THE ROAD

HAZARDOUS WASTE:

TOOK MORE THAN 100 LOADED TRUCKS OFF THE ROAD

### EMPLOYEES HELP SHRINK OUR ENVIRONMENTAL FOOTPRINT

As it becomes increasingly difficult to generate improvements in our environmental performance, employee engagement is crucial in working towards achieving carbon neutrality and other key environmental targets.

In 2010, we created the Bombardier Green Fund to elicit and leverage the best site-related initiatives submitted by employees to improve our energy efficiency and overall environmental performance.

**ENERGY CONSUMPTION:** 

POWERED THE STREET LIGHTS IN A CITY OF ABOUT 530,000 PEOPLE FOR A YEAR

GHG EMISSIONS:

REMOVED MORE THAN 4,510 CARS FROM THE ROAD FOR ONE YEAR

To qualify, the Green Fund projects must:

- demonstrate superior and sustainable environmental gains
- generate a positive impact for employees and the greater community
- show a return on investment
- be supported by the local management team

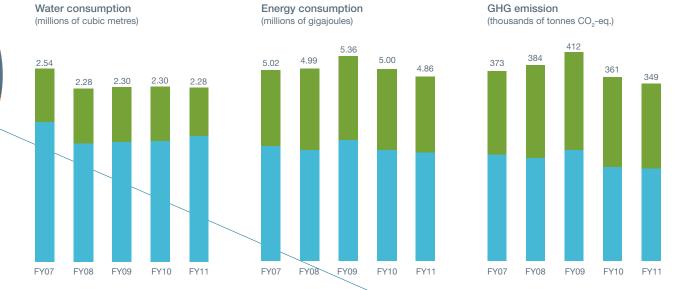


site, I

#### **OUR GREEN FUND IN ACTION**

Six pilot sites representing 16% of our Transportation group's carbon footprint delivered more than 60 project plans.

At Aerospace, we selected 19 initiatives out of nearly 200 Green Fund ideas submitted. For example, employees at our Querétaro facility in Mexico suggested installing a ground rainwater tank to collect runoff from the roof to use as grey water for the plant, helping conserve water in one of the country's driest regions.



As of fiscal 2011, the scope of our reported environmental and energy data includes: buildings we own or lease long term and manage as the sole tenant, with more than 50,000 square feet of conditioned space; sites having 150 employees or more; sites that are considered primary production/operation and service facilities; and group headquarters. Joint ventures (where we control less than 50%) are excluded. This revised scope is not considered significant compared to that used in previous years.

AerospaceTransportation

### OUR ENVIRONMENTAL TARGETS

WATER CONSUMPTION:
AN ADDITIONAL 3%
REDUCTION

between FY2011 and FY2012, based on FY2010 data

ENERGY CONSUMPTION AND GHG EMISSIONS:

# AN ADDITIONAL 10% REDUCTION

between FY2010 and FY2013, based on FY2009 data

WASTE AND HAZARDOUS WASTE PRODUCTION:

# AN ADDITIONAL 9% REDUCTION

between FY2011 and FY2012, based on FY2010 data



# **PRODUCTS**

3 NEW ECO4 ENERGY-SAVING RAIL TECHNOLOGIES **EcoSilent Optimized Sound Design** for quiet train travel inside and out

EnerGstor Wayside Energy Storage system for capturing, storing and feeding back otherwise wasted braking energy into the system

**EcoEfficient Optimized Environmental Performance** for analyzing the
environmental footprint throughout
our products' entire lifecycle



#### PRIMOVECITY: EASY URBAN E-MOBILITY

Launched in fiscal 2011, PrimoveCity provides wireless, emission-free mobility for all rail and road vehicles including cars, buses, trucks and trams. This groundbreaking, contactless e-mobility solution leverages our PRIMOVE technology to address the range and recharging constraints of electric vehicles. Safe and weatherproof, it uses inductive energy transfer to wirelessly power these vehicles using cables hidden under the road or track. This means that PrimoveCity leaves heritageprotected areas, parks and gardens unobstructed and the urban landscape intact.

### DESIGN FOR ENVIRONMENT: CENTRAL TO RESPONSIBLE INNOVATION

During 2010, we further integrated our Design for Environment (DfE) approach into the development of all new aircraft programs. The Aerospace DfE team now consists of seven experts with a dedicated DfE specialist forming an integral part of each new program team.

Our DfE philosophy is front and centre in the development strategy for our new *Global 7000* and *Global 8000* business jets launched in 2010. In fact DfE requirements are now embedded in the technical documents that guide the day-to-day job of designing these aircraft.

### 14% TO 18% LOWER FUEL BURN<sup>1</sup>

WITH OUR NEWLY LAUNCHED GLOBAL 7000 AND GLOBAL 8000 BUSINESS AIRCRAFT

### 1 NEW

ENVIRONMENTAL PRODUCT
DECLARATION (EPD) ISSUED FOR
OUR INNOVIA ART 200 RAPID
TRANSIT VEHICLE – BRINGING
US TO 14 EPDs FOR OUR
TRANSPORTATION PRODUCTS

Ompared to our Global 6000 (formerly the Global Express XRS) business aircraft

We're also working to issue EPDs for all new aircraft programs upon entry into service — an industry first — proactively informing key stakeholders of our products' environmental performance.



# SUPPLY CHAIN

### 230

AEROSPACE SUPPLIERS, REPRESENTING 90% OF AIRCRAFT-RELATED PROCUREMENT SPEND AND 70% OF NON-AIRCRAFT RELATED SPEND, COMMITTED TO OUR SUPPLIER CODE OF CONDUCT' COMPARED TO 200 IN 2010.

### **ALL 469**

MAIN TRANSPORTATION
SUPPLIERS, ACCOUNTING FOR 80%
OF THE GROUP'S PROCUREMENT
SPEND<sup>2</sup>, ARE ON BOARD WITH THE
CODE COMPARED TO 406 IN 2010.

<sup>&</sup>lt;sup>2</sup> Using reference year 2009





#### REACHING OUT

In June 2010, we increased our aerospace industry involvement by becoming a champion of the supplier improvement program MACH, initiated by Aéro Montréal. This public-private partnership supports supplier development through public investment, supplier-customer collaboration and training sessions. By engaging in these types of partnerships, we strengthen our commitment to supplier development and to supporting the industry in communities where we operate.

#### RECOGNIZING OUR SUPPLIERS

Both of our business groups launched awards to recognize supplier contributions in CSR in 2010 and foster a responsible supply chain.

Recipients of Aerospace's first Corporate Social Responsibility Awards were CAE Inc., Hamilton Sundstrand Corporation, Honeywell Aerospace and Pratt & Whitney Canada. The Bombardier Achieving Supplier Excellence (BASE) Awards acknowledge suppliers that support our strategy of delivering an amazing customer experience through superior performance.

Based on a supplier self-assessment survey, our Transportation group launched the Sustainable Suppliers Awards and honoured the first recipients, Hitachi and ABB.

Selection criteria cover quality systems (IRIS), health, safety and environment systems (ISO 14001 and OHSAS 18001), labour conditions and business ethics (SA 8000), as well as responsible citizenship and philanthropic engagement.

At Transportation, we also gave our first-ever Supplier Improvement Award to RAWAG in recognition of its outstanding achievements during 2010.

<sup>&</sup>lt;sup>1</sup> Using reference year 2008

### 188 EMPLOYEES

FROM AEROSPACE AND CORPORATE OFFICE WORKED

### 1,925 HOURS

WITH THE CANADIAN RED CROSS TO AID FLOOD VICTIMS NEAR MONTRÉAL, AS PART OF OUR BOMBARDIER-WIDE EMPLOYEE VOLUNTEERING PILOT PROJECT.

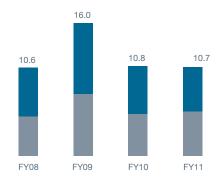
### **ALL 20 GRADUATES**

OF OUR TIBET PROFESSIONAL
TRAINING PROGRAM ARE
NOW GAINFIIIIY

### NOW GAINFULLY EMPLOYED

IN THE HOTEL AND RESTAURANT SECTOR. THE PROGRAM TRAINED STUDENTS FROM TIBET IN TOURISM MANAGEMENT, ENABLING THEM TO BENEFIT FROM THE INCREASED TOURISM IN THE REGION GENERATED IN PART BY THE GOLMUD-LHASA RAILWAY.

### Community Contributions (in millions of U.S. dollars)



- Bombardier to J. Armand Bombardier Foundation
- Bombardier to community



# Video mentoring production of the Africa

# RESPONSIBLE CITIZENSHIP

TRANSPORTATION EMPLOYEES IN THE PITTSBURGH AREA CONTINUED THEIR **VIDEO MENTORING** 

### PROGRAM

WITH NKOSI'S HAVEN ORPHANS IN THE GAUTENG REGION OF SOUTH AFRICA. FOUNDED IN 2008, THE PROGRAM

PROVIDES YOUTH
IN NEED WITH
HOMEWORK SUPPORT,
CAREER PLANNING
AND COUNSELLING.

TO FACILITATE THE MENTORING, WE DONATED COMPUTERS AND HELPED FURNISH THE LABS AT THE ORPHANAGE.

### STRENGTHENING OUR COMMUNITY CONTRIBUTIONS

These examples show our Donations, Sponsorships and Community Involvement Policy in action. Our philanthropic contributions are focused around our employee volunteering pilot project and the 3Es — Education, Environment and Entrepreneurship. These three areas reflect our key priorities and provide us with a great opportunity to give back, heightening our positive impact and benefits to the communities in which we operate.

### RESPONSIBILITY

To reduce our environmental footprint, this 2011 Overview is printed on Enviro100 paper, containing 100% recycled fibre, allowing us to save:



10 mature trees



287 kg of solid waste



564 kg of atmospheric emissions



21,630 litres of water

CSeries, ECO4, FLEXITY, PRIMOVE, PrimoveCity and ZEFIRO are trademarks of Bombardier or its subsidiaries.

Un exemplaire en français vous sera expédié sur demande adressée à : Bombardier Inc.
Affaires publiques
800, boul. René-Lévesque Ouest
Montréal (Québec) Canada H3B 1Y8
ou consultez notre site Internet
au www.rse.bombardier.com

Design: CG3

Printing: Transcontinental Litho Acme

Printed in Canada All rights reserved

© October 2011 Bombardier Inc.

or its subsidiaries.

