



Deepening our commitment

MOVING FORWARD RESPONSIBLY

BOMBARDIER

2010 Corporate Social Responsibility Overview

A MESSAGE FROM THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE CHAIRMAN

Since our report last year, we've made steady progress along our sustainability journey. We are especially encouraged by the fact that corporate social responsibility (CSR) is increasingly embedded throughout our organization. In ever-greater numbers, our employees are coming up with creative suggestions and initiatives to move us forward in CSR. This growing engagement around sustainability motivates and compels us to intensify our efforts. Open and effective CSR communication is key to stimulating broader engagement. That's why we have improved, and will continue to improve, our CSR reporting with enhanced communication tools such as our new CSR website. Step by step, day by day, we're achieving our long-term vision of well-planned CSR initiatives driven by engaged employees and rooted in our operations.

DANIEL DESJARDINS

Senior Vice President and General Counsel

About this overview

This overview provides you with highlights of our corporate social responsibility performance during fiscal year 2010, which runs from February 1, 2009 to January 31, 2010. It also includes qualitative information that covers the period between February and September 2010. All amounts are in U.S. dollars unless otherwise indicated.

We encourage you to consult our detailed 2010 Corporate Social Responsibility Report online at www.csr.bombardier.com.

Your feedback

Receiving your comments is an important part of our stakeholder dialogue process. Your opinions help us focus on the issues that matter most to our diverse stakeholders. Please either email us your thoughts on our efforts to move forward responsibly at csr@bombardier.com or complete our online survey.

- 1 Executive Messages
- 2 Governance
- 3 Employees
- 4 Products
- 5 Operations
- 6 Supply Chain
- 7 Responsible Citizen
- 8 UN Global Compact

“Our employees remain at the heart of our success. Nowhere is this more evident than in the sphere of corporate social responsibility. In the past year, we witnessed numerous instances where our employees brought their ingenuity to bear, zeroing in on solutions to sustainability challenges and setting the stage for greater prosperity.”



PIERRE BEAUDOIN
President and Chief Executive Officer
Bombardier Inc.

“Collectively the aerospace industry has set ambitious environmental targets — reducing aircraft CO₂ emissions by 50% by 2050 and achieving carbon-neutral growth by 2020. At Bombardier Aerospace, we are duty-bound to spearhead advances that drive us ever-closer to these goals.”

GUY C. HACHEY
President and
Chief Operating Officer
Bombardier Aerospace



“Our comprehensive approach to corporate social responsibility permeates all levels of our organization and every area of activity. It ensures we embed sustainability not only in our products but also in our culture and mindset.”

ANDRÉ NAVARRI
President and
Chief Operating Officer
Bombardier Transportation





GOVERNANCE

2

Dow Jones Sustainability Index listings since 2007

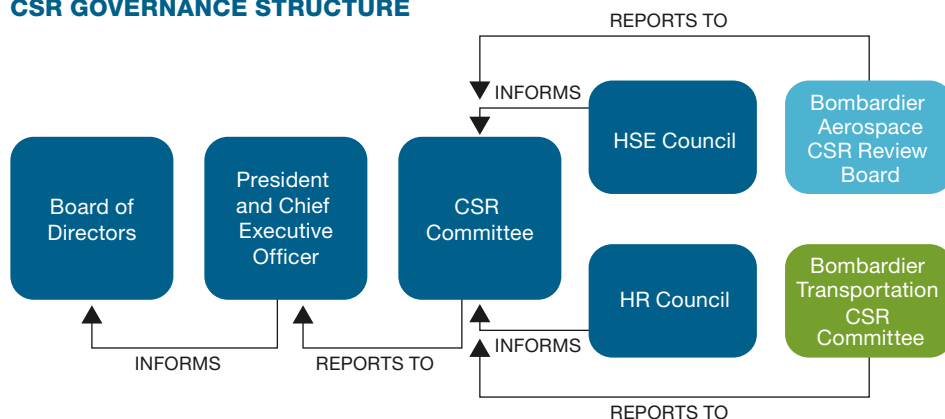
25,000

employees received ethics training

14

languages used to make our Code of Ethics and Business Conduct available to all employees

CSR GOVERNANCE STRUCTURE



	FISCAL 2010 OBJECTIVES	WHAT WE DID	FISCAL 2011 OBJECTIVES
Corporate Social Responsibility (CSR) Governance Progress:	Continue improving collaboration between the Corporate and two business group CSR committees to effectively implement and manage CSR initiatives	Maintained a stringent meeting schedule for CSR Committee throughout fiscal 2009 and 2010 Strengthened the CSR team by appointing CSR strategy director in our Transportation group Improved coordination in company-wide initiatives such as updating the Donations, Sponsorships and Community Involvement Policy	Ensure strong alignment between the groups' CSR strategies and develop key areas for collaboration
CSR Priorities Progress:	Develop a long-term action plan and begin implementing new community investment, stakeholder engagement and employee volunteering programs Continue improving CSR communication and reporting	Adopted the 3E approach to community involvement, which focuses on Education, Environment and Entrepreneurship Intensified our engagement with industry associations and developed a more formal stakeholder engagement process Developed and launched a dedicated CSR website to better communicate our CSR progress	Reassess our medium- and long-term CSR priorities Further refine our CSR communication activities and reporting, and heighten general awareness of our CSR initiatives
Ethics and Business Conduct Progress:	Enhance our Code of Ethics and Business Conduct to better reflect the principles of the UN Global Compact	Added the UN Global Compact principles to our Code of Ethics and Business Conduct Launched the second phase of e-learning modules to train managers on specific provisions of the Code Rolled out a quarterly newsletter to increase employee awareness of the Code	Finalize the rollout of the second wave of ethics training Conduct our internal environment survey



EMPLOYEES

62,500

employees

14%

of women in management positions

90

nationalities

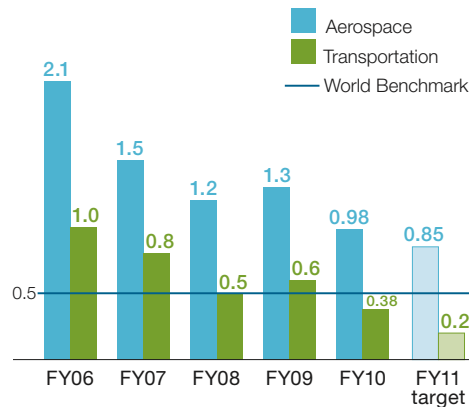
20

languages

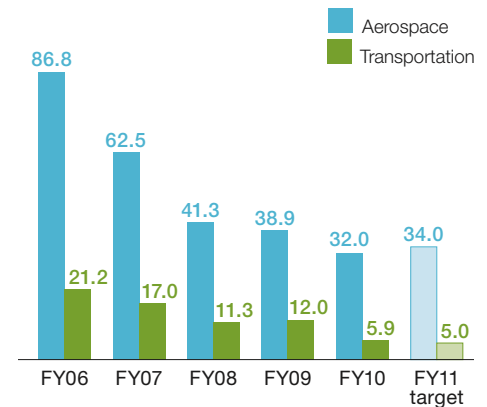
1. Total number of accidents without lost workdays plus number of temporary assignments resulting from work-related accidents normalized per 200,000 hours worked.

2. Severity of work-related accidents have resulted in lost workdays and days of temporary assignments normalized per 200,000 hours worked.

Accident Frequency Rate¹ (total lost time cases)



Accident Severity Rate² (total lost time cases)



	FISCAL 2010 OBJECTIVES	WHAT WE DID	FISCAL 2011 OBJECTIVES
Health and Safety (H&S) Progress:	Improve our H&S performance throughout the corporation Continue monitoring our leading indicators using our new HSE Information Management System (HSE IMS)	Continued to decrease our accident frequency and severity rates in both business groups Began corporate-wide monitoring and reporting on two new leading indicators (safety observations and HSE training hours) and expanded near-miss reporting	Continue improving our H&S performance by achieving accident frequency rates of 0.85 at Aerospace and 0.2 at Transportation Include H&S deliverables in product design processes
Global Talent Management Progress:	Begin implementing our new Global Talent Management Roadmap to better attract, retain and develop engaged leaders and employees	Agreed on a global promise ("We move people") as the foundation of our Employment Value Proposition (EVP) Enhanced coordination of our efforts to promote diversity and employment equity Implemented the first global HR system for succession planning	Embed and leverage the EVP in our talent acquisition processes Improve our current performance management process Expand our leadership training program across Bombardier
Employee Engagement Progress:	Continue to improve employee engagement as measured by employee engagement surveys, continuous improvement programs and transversal initiatives	In Aerospace survey, achieved 86% employee participation and maintained 69% on engagement index despite the recession's negative impact In Transportation survey, improved communication between leaders and employees by 5%, reaching 67%	Continue to improve our employee engagement Increase communication at all levels of the organization Continue to support survey-specific action plans as effective drivers of employee engagement



PRODUCTS

4,200

aerospace professionals graduated from our Safety Standdown seminars

Over

95%

recoverability rate achieved for our rail vehicles

50%

overall energy savings with our *ECO4* rail technologies

Up to

20%

fuel burn and CO₂ emission reduction advantage with our *CSeries* aircraft

AVIATION: A SUSTAINABLE MODE OF TRANSPORTATION



2.3 litres
per 100 km,
per passenger*



3.4 litres
per 100 km



4.3 litres
per 100 km

*CS300 aircraft over a 2,700 nm sector, assuming 100% load

MITRAC HYBRID PROPULSION TECHNOLOGY REDUCES EMISSIONS



up to
80%
reduced
emissions

eco⁴

	FISCAL 2010 OBJECTIVES	WHAT WE DID	FISCAL 2011 OBJECTIVES
Product Environmental Footprint Progress:	Continue deploying Design for Environment (DfE) capabilities on the <i>CSeries</i> and <i>Learjet 85</i> programs Develop an Environmental Product Declaration (EPD) for each new Transportation product platform	Distributed a DfE manual to Aerospace product development teams, including <i>CSeries</i> and <i>Learjet 85</i> teams Issued a rail vehicle EPD and the first EPD for a rail vehicle component (converter) Completed a study to ensure compliance with the European Community Regulation on chemicals (REACH)	Leverage collaborative research networks and key European frameworks to develop green technologies for aviation Develop additional EPDs for our rail products and follow the rail industry's common Product Category Rules
Greenhouse Gas Emissions Progress:	Help Aerospace customers establish compliance plan for new environmental regulations Demonstrate energy reduction potential of <i>ECO4</i> technologies to rail operators	Developed a European Union Emission Trading Scheme compliance plan and supported our Aerospace customers in establishing their own plan Spearheaded the creation of the Business Aviation Commitment on Climate Change Tested our <i>EBI 50</i> driver assistance system in Sweden, reducing train energy consumption by up to 20%	Collaborate with international organizations to establish the global sector framework for managing aviation emissions Increasingly implement <i>ECO4</i> technologies in our rail transportation customer projects
Safety Progress:	Be an industry leader in product safety	Added proactive safety measures through continued deployment of our Safety Management System Held Safety Standdown forums with Aerospace customers in the U.S. and Europe	Continue deployment of our Safety Management System Benchmark our Transportation group with leaders from other industries



OPERATIONS

2020

target date for carbon-neutral operations

13.4%

decrease in waste in 2010 compared to 2009, equivalent to removing more than 100 loaded merchandise trucks from the road

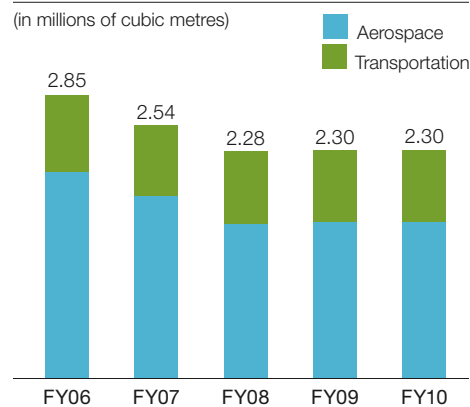
Since 2004, reduced enough energy to power the streetlights of a city of

4.2 million

people for one year

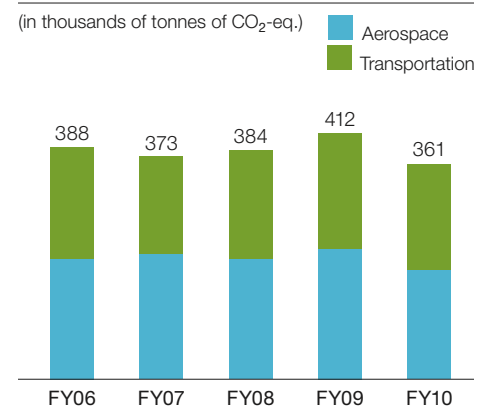
Water Consumption

(in millions of cubic metres)



GHG Emissions

(in thousands of tonnes of CO₂-eq.)



	FISCAL 2010 OBJECTIVES	WHAT WE DID	FISCAL 2011 OBJECTIVES
Energy and Carbon Management Progress: ●	Conduct a detailed assessment of energy and GHG emission reduction opportunities Complete an inventory of available renewable energy resources where we operate Reduce energy consumption and GHG emissions by 10% between fiscal 2010 and 2015	Completed a detailed inventory of energy sources and GHG emissions at all manufacturing plants and established specific reduction targets for most significant sites Completed an inventory of available renewable energy providers for our European operations and began assessing the feasibility of switching to this type of energy Decreased energy consumption by 6.7% and CO ₂ emissions by 12.3% compared to fiscal 2009	Launch an annual Green Fund across the company to finance environmental initiatives Establish site-specific CO ₂ reduction targets for all Transportation sites Implement strategy to achieve carbon neutrality Begin implementing a green business car policy
Environmental Performance Management Progress: ●	Start implementing our HSE Information Management System (HSE IMS) to improve environmental data accuracy and consistency Begin monitoring our new environmental indicators Adopt company-wide green building guidelines for new facilities based on third-party certification requirements	Deployed first module of HSE IMS and enhanced reporting scope with new environmental indicators Completed HSE Management System certification (ISO 14001) at all remaining eligible Aerospace sites Established green building principles for new Aerospace facilities (all new facilities must obtain third-party environmental certification)	Further enhance our HSE IMS, integrating health, safety and environmental data collection and site-specific management programs Begin monitoring new indicators: waste valorization index, use of volatile organic compounds (VOCs) and number of environmental incidents Obtain third-party environmental certification (e.g. LEED) for our new facilities



SUPPLY CHAIN

1,390

trees saved per year by switching to eight suppliers with more eco-responsible paper products in the Montréal area in Canada

More than
200

quarterly business reviews held with our main Transportation suppliers

30

Aerospace suppliers use our new supplier performance indicator tool



Our suppliers' expertise plays a critical role in designing and manufacturing advanced components for our planes and trains. This makes suppliers key partners in our success.

	FISCAL 2010 OBJECTIVES	WHAT WE DID	FISCAL 2011 OBJECTIVES
<p>Supply Chain Management</p> <p>Progress: </p>	<p>Implement the first phase of a compliance program for the Supplier Code of Conduct</p>	<p>As of August 31, 2010, obtained supplier commitments to respect our Supplier Code of Conduct or adhere to equivalent codes of conduct:</p> <ul style="list-style-type: none"> • 200 Aerospace suppliers compared to 83 in fiscal 2009. Of those, 84 are aircraft equipment suppliers representing 83% of our total aircraft-related procurement spend. • 406 Transportation master vendors accounting for 80% of our procurement spend. This compares to just over 120 in 2009. <p>Started working with Aerospace suppliers to reduce hexavalent chromium use in products (already done in Transportation)</p> <p>Strengthened our relationship with universities on supply chain matters and shared best practices/expertise</p> <p>Worked with rail industry associations to develop a common code of conduct for rollout in Germany</p>	<p>Develop a comprehensive five-year roadmap and plan to reduce restricted and hazardous substance use in supplied products, and work with other aerospace Original Equipment Manufacturers to harmonize, where feasible, supplier requirements to accelerate overall industry progress in this area</p> <p>Continue deployment of our compliance program for our Supplier Code of Conduct</p> <p>Explore options to harmonize our Code of Conduct and an associated verification approach with the European rail industry (UNIFE) to reduce monitoring efforts</p> <p>In Transportation, launch a supplier survey involving at least 30% of our master vendors</p>



RESPONSIBLE CITIZEN

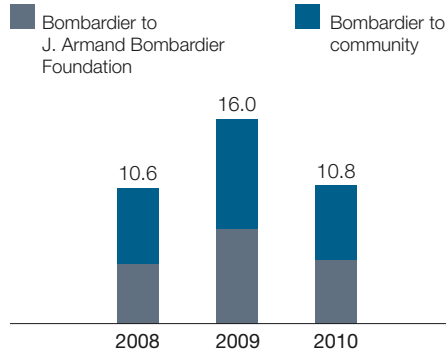
191 hectares reforested in Sierra Gorda Biosphere Reserve in Mexico

All **20** Tibetan students graduated from our hotel and tourism management program

Provided drinking water to **1,500** students at the Savli High School in India

Community Contributions

(in millions of dollars)



STARS, an education program in South Africa, is supported by Bombardier.

	FISCAL 2010 OBJECTIVES	WHAT WE DID	FISCAL 2011 OBJECTIVES
Stakeholder Engagement Progress:	Establish a proactive dialogue with our key stakeholders regarding the most relevant CSR issues	Developed a more formal stakeholder engagement strategy and an initial materiality matrix to better focus our resources on priority CSR issues Significantly increased our international presence and relationships with industry associations and government bodies Initiated relationships with key NGOs in the field of aviation and the environment Established multiple mechanisms to obtain feedback from key stakeholders, including stakeholder perception surveys	Focus on reinforcing our relationship with key groups and individuals in the communities where we operate worldwide Begin implementing our stakeholder engagement strategy and process with selected NGOs
Community Involvement Progress:	Adopt a focused approach to community involvement by defining specific investment areas Progressively introduce a company-wide employee volunteer pilot project	Launched a new Bombardier-wide donations and sponsorships policy based on our 3E approach (Education, Environment and Entrepreneurship) to community involvement Deployed a global reporting software to manage all community involvement activities Introduced an employee volunteer pilot project in the Montreal area in Canada (Red Cross "Ready When the Time Comes" program) to increase the percentage of our workforce involved in volunteer activities	Ensure progressive migration of community-related spending to our 3E approach (80% of our donations and sponsorships budget to be aligned with 3E by 2015) Provide a structured framework for employees interested in volunteer activities

RESPECTING THE UN GLOBAL COMPACT

Every year, our Corporate Social Responsibility Report constitutes our Communication on Progress relative to the United Nations Global Compact. The table below provides examples of how we continue to promote the Global Compact's 10 principles both internally and externally. For the complete table, see the "Governance" section of our online 2010 Corporate Social Responsibility Report.



GLOBAL COMPACT PRINCIPLE	ACTIONS TO PROMOTE UN GLOBAL COMPACT PRINCIPLES
HUMAN RIGHTS	
Businesses should: 1 Support and respect the protection of internationally proclaimed human rights	Applied our Code of Ethics and Business Conduct, our Supplier Code of Conduct, and our Health, Safety and Environment Policy
2 Make sure they are not complicit in human rights abuses	Continued to roll out our new Supplier Code of Conduct across our global supply chain
LABOUR STANDARDS	
Businesses should uphold: 3 The freedom of association and the effective recognition of the right to collective bargaining	Acknowledged our employees' right to freedom of association and engaged with employees through our Global Union-Management Forum and our European Work Council
4 The elimination of all forms of forced and compulsory labour	Applied our Code of Ethics and Business Conduct and our Supplier Code of Conduct, both of which promote employee rights in this area
5 The effective abolition of child labour	Applied our Supplier Code of Conduct, which clearly stipulates our position against child labour
6 The elimination of discrimination in respect of employment and occupation	Continued to roll out the second phase of our e-learning program on ethics, which includes modules on discrimination
ENVIRONMENT	
Businesses should: 7 Support a precautionary approach to environmental challenges	Leveraged our Environmental Management System to identify significant environmental aspects and take appropriate action for continuous improvement
8 Undertake initiatives to promote greater environmental responsibility	Took steps to decrease our consumption of input resources as well as reduce and, where possible, eliminate unwanted outputs
9 Encourage the development and diffusion of environmentally friendly technologies	Co-founded Canada's Green Aviation Research and Development Network, an R&D partnership focused on developing green engine and aircraft technologies to lower noise and air emissions Promoted our <i>ECO4</i> portfolio of energy-saving rail products, services and technologies
ANTI-CORRUPTION	
Businesses should: 10 Work against all forms of corruption, including extortion and bribery	Continued to roll out the second phase of our e-learning ethics program for managers, which includes modules on bribery, corruption and anti-trust laws

RESPONSIBILITY

To reduce our environmental footprint, our complete 2010 Corporate Social Responsibility Report is only available online. This overview is also comprised of fewer pages than last year's document. In addition, our choice of Enviro 100 paper, containing 100% recycled fibre, allowed us to save:



16 mature trees



474 kg of solid waste



1,041 kg of atmospheric emissions



44,848 litres of water

THANK YOU

We are proud of our employees' engagement. We sincerely thank all of our employees for helping us move forward in corporate social responsibility.

Bombardier, CSeries, C300, EBI, ECO4, Learjet, Learjet 85 and MITRAC are trademarks of Bombardier Inc. 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: TAXI
Printing: Transcontinental Litho Acme
Printed in Canada
All rights reserved
© November 2010 Bombardier Inc.
or its subsidiaries.



Recycled

Supporting responsible use
of forest resources

www.fsc.org Cert no. SW-COC-000952
© 1996 Forest Stewardship Council



Completely recyclable –
the responsible choice

Moving forward responsibly online...
www.csr.bombardier.com

See our full
2010 Corporate Social Responsibility Report
online for a detailed look at our performance.

BOMBARDIER