



# CODE OF CONDUCT.



BUS & COACH



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# WHY DO WE NEED A CODE?

VDL Bus & Coach is part of the stable and financially strong Dutch family business, VDL Groep. An open corporate culture and short lines of communication contribute to exceptional decisiveness. Our approach is to always be forward-looking and innovative in finding and implementing even more environmentally friendly and efficient solutions. Solutions that go beyond just supplying buses and coaches.

To achieve this, we think differently. And we take a different approach. Over a long period of time, we have built up a reputation as a brand. This also means that we set the bar high and set high standards for ourselves. It's up to every employee of our company to honour that reputation and build on it for the future.

Doing business the right way is all that matters. Over the years, VDL Bus & Coach has developed into a reliable and sustainable cooperation partner that offers a high level of quality. Consider this Code of Conduct as your guide, helping you navigate what is right in any given situation. In that way, you will help the company avoid situations that might lead to adverse legal issues or damage our reputation.

## MOVE. TOGETHER.

At VDL we like challenges, are open to new ideas, and are very flexible when opportunities arise. We believe that the strength behind achieving real success lies in the pride of our employees who develop, manufacture and market our products. Together with them, we want to exceed expectations. Ensuring that our technical innovations contribute to improving the well-being and prosperity of us all, and to continuity: our highest goal.

## VDL BUS & COACH CORE VALUES



### Future-orientated

Is our vision for sustainability, the environment, digital developments and new passenger transport initiatives. It is also about how we do more than delivering buses alone. We see what the world wants and can adapt and be inventive to meet these new trends.



### Reliable

Is about how we can act as a partner together with our stakeholders and help them with many new developments in a fast-changing world. But it's also about the undisputed quality that we deliver in answering every demand.



### Flexible

Is about the fact that every situation and demand is different and the way we deal with this. The uniqueness and strength in tailor-made solutions is how we offer flexible solutions for specific situations, rather than standard options.

# TO WHOM DOES THE CODE OF CONDUCT APPLY?

In the performance of your duties, certain behavioural risks may be concealed. It is important that you recognise these (behavioural) risks, understand them and know how to manage them. You must also pass this code to the suppliers and partners with which you work. In this way, we can ensure that they comply with this code, too.

Read this Code of Conduct carefully to understand what is expected of you. Discuss it with your colleagues and/or your manager to know how it applies to your specific circumstances and line of work. The code applies everywhere we do business and to everyone who works on VDL Bus & Coach's behalf.

## So that means:

- Full and part-time employees
- Consultants
- Temporary staff
- Senior management
- Board of directors
- We expect (other) business partners and their employees to act in a manner consistent with this Code.

Proper compliance with this code is in the interest not only of VDL Bus & Coach but also of yourself. After all, this is how we all protect each other and ensure a pleasant working environment. Failure to comply with this code can lead to sanctions and ultimately even to termination of employment or the working relationship. In addition, VDL Bus & Coach is obliged to inform the authorities about certain violations. In such cases, the authorities can impose fines and, in extreme instances, even a prison sentence.

If you notice that certain core values and/or principles are not being complied with by colleagues or by the suppliers we engage, then it is your duty to report this to your manager. If this is not possible, you can make use of the VDL Groep whistleblower policy. We encourage everyone to discuss dilemmas.

Respect our values and set the right example through your own behaviour. This Code of Conduct is what we stand for and what we expect from you.

The Code of Conduct contains rules and principles for how we do business. However, it can't describe every real situation and sometimes the right answer is not always obvious. If you're ever in doubt about a course of action, ask yourself the following questions:

- Is it against the law?
- Is it unethical?
- Could it damage VDL Bus & Coach's global reputation?
- Would I be embarrassed to read about it in the media?

If you can answer **'YES'** to any of these questions, stop and consult your manager, who can help you find a way to handle the situation.



A man and a woman are walking together on a city street, both smiling and looking at each other. They are carrying black rolling suitcases. The man is wearing a striped t-shirt, blue jeans, and a brown jacket slung over his shoulder. The woman is wearing a light pink blazer, a light green skirt, and brown shoes. They are walking past a large, classical stone building with arched windows and a balcony with a black wrought-iron railing. The scene is brightly lit, suggesting daytime.

# HOW WE LIVE UP TO OUR CORPORATE VALUES

## **DIVERSITY, EQUAL OPPORTUNITIES FOR ALL**

VDL Bus & Coach's success depends on the cooperation and talents of our employees. We make no distinction between skin colour, origin, religion, age or gender. VDL Bus & Coach wants everyone to feel comfortable in the organisation, to ensure that there is a working atmosphere in which everyone can develop and in which talents can come into their own. That is why we treat everyone in an honest, respectful and dignified manner. We strive for equal opportunities for everyone who contributes to the objectives with his or her talents.

## **MUTUAL RESPECT**

At VDL Bus & Coach we are proud of our inclusive work environment. Unwelcome conduct that creates an intimidating, offensive or hostile working environment has no place here. We encourage and expect mutual respect: among colleagues and between our company and our business partners.

## **HARASSMENT**

Harassment, such as bullying, discrimination, racism, violence, sexual/physical harassment or inappropriate humour will not be tolerated at VDL Bus & Coach. Employees can report harassment or other abuses to their manager or confidential adviser. This may ultimately lead to the termination of employment or working relationship.

## **SAFE AND HEALTHY WORKPLACE**

We believe accidents, incidents, injuries, work-related illnesses and unsafe conditions are often preventable. By prioritising compliance with safety requirements in planning and operations, we ensure that our work environment meets applicable health and safety laws and requirements, both national and international. It is also forbidden to smoke in and around the buildings of VDL Bus & Coach, with the exception of the locations indicated by VDL.

## **VDL GROEP**

VDL Groep, headquartered in Eindhoven, is an international industrial family business with over 100 operating companies and about 16.000 employees. The VDL companies break down into four divisions: subcontracting, car assembly, buses and coaches and finished products. 'Strength through cooperation' is the cornerstone of VDL Groep. The company was founded in 1953 by Pieter van der Leegte. In 2016, Willem van der Leegte succeeded his father Wim as President and CEO of VDL Groep

## **VDL GROEP MENTALITY**

- Performance-orientated
- Direct, open communication
- Few ranks, no stations
- Minimal meetings during working hours
- Managers lead by example
- Emphasis on cooperation

## **VDL GROEP CORE VALUES**

- Entrepreneurial
- Pragmatic
- Flexible
- Adaptive
- Commercial
- Creating Engagement
- Cooperating
- Accessible
- Social
- Innovative

## **CHILD LABOUR AND MODERN SLAVERY**

VDL Bus & Coach does not tolerate child labour or forced labour and respects all laws and regulations that apply to child labour. We ensure that we do not use or support modern slavery, including forced, bonded or compulsory labour or human trafficking. No person shall be employed below the minimum legal age of employment and VDL Bus & Coach takes all the necessary preventive measures to ensure that it does not employ anyone below the legal age of employment.

We recognise the rights of every child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development. We also expect the same from our customers, suppliers and other (business) relations.

## **ASSOCIATIONS**

All employees have the right to form or join associations of their own choosing, and to bargain collectively. VDL does not accept disciplinary or discriminatory actions from the employer against employees who choose to peacefully and lawfully organise or join an association, as defined in the International Labour Organization Covenants 87, 98 and 135.

## **PRIVACY**

VDL Bus & Coach considers it of great importance to handle personal data in a proper and careful manner and in accordance with the law. This applies not only to the personal data of employees and temporary employees but also to the data that VDL Bus & Coach receives from customers, suppliers and/ or other relations. This is in line with the EU's General Data Protection Regulation (GDPR).



# HOW WE DO BUSINESS

## **FAIR COMPETITION**

We trust that our products and services will succeed in a competitive market place and that a fair market benefits us. We compete on the merit of our products and services and do not take actions that are illegal under competition laws, such as colluding with competitors. We treat our suppliers in a professional manner and choose suppliers on the basis of objective criteria. Unauthorised price agreements, market sharing or the abuse of unbalanced power relations must be prevented at all times.

## **PRODUCT COMPLIANCE**

The products of VDL Bus & Coach are designed, manufactured, marketed and sold to comply with applicable legal requirements and our high internal quality and safety standards. We present our products and services accurately. We don't provide misleading information about safety or environmental attributes.

## **ANTI-MONEY LAUNDERING**

VDL Bus & Coach does not wish to be involved in any way in activities with proceeds of an illegal (and punishable) origin. Money laundering allows criminals and others to disguise the source of illegally obtained funds. These funds may come from or support activities such as human trafficking, terrorism, blackmail or fraud. We investigate such activities to the fullest extent possible. In case of doubt, we will not engage in business.

## **KNOW YOUR BUSINESS RELATIONS**

Legitimate activities can be used to launder money or to finance other illegal activities, including terrorism. In order to prevent this, all employees of VDL, whether permanent or temporary, should know their business relations and be alert to business relations who are reluctant to provide information or who wish to make cash payments, avoid tax requests or make payments to bank accounts of a third party. If you suspect or know that a party is involved in illegal activities, you should report this to your manager immediately.

## **ANTI-BRIBERY AND CORRUPTION**

Business transactions must be conducted fairly and confidentially, without corruption or bribery. Every employee, whether permanent or temporary, who carries out business transactions of a national or international nature must be aware of and comply with all applicable anti-bribery and corruption laws. If you become aware of, or suspect, any corruption/bribery, you must report it to your manager.

## **GIFTS AND REPRESENTATION**

We do not accept (additional) agreements that directly or indirectly benefit individuals. Nor do we take our own private interests into account in business contacts. Gifts may only be accepted if they do not affect independence. The interests of VDL Bus & Coach should always come first. In case of doubt, you should always consult your manager.

## **INTELLECTUAL PROPERTY**

VDL Bus & Coach not only protects its own trade secrets and intellectual property but also respects the intellectual property of third parties. Our employees may not receive and/or distribute confidential information without permission.



# HOW WE SEE THE ENVIRONMENT AND SOCIETY

## **CORPORATE SOCIAL RESPONSIBILITY**

VDL Bus & Coach sees Corporate Social Responsibility (CSR) as an integral part of its overall corporate policy. This means that CSR aspects are taken into account in the decisions taken in respect of organisational, process and technical matters. This is fully in line with the CSR policy of VDL Groep.

Our products are manufactured in the Netherlands and Belgium. Wherever possible, our suppliers operate in the same region. As a consequence, our products have a very low carbon footprint during the production and transportation phase. Local production drastically lowers the environmental impact of the bus, due to the fact that transportation is a major influencing factor on the total carbon footprint.

With the development, production and worldwide sales of innovative, competitive products and services, VDL Bus & Coach strives to deliver added value to the world around us. We bring people and organisations together to develop products, services and solutions that improve the well-being and prosperity of us all. Everyone at VDL is driven to make a difference and to strive for the best results. Together, we excel at how we think and act, and people are our most important asset.





## **ENVIRONMENTAL POLICY**

Care for the environment is a social responsibility of VDL Bus & Coach and all employees within the organisation. With products and developments in the automotive field (electric driving, battery technology, the use of lightweight construction), we make a substantial contribution to a better living environment. The requirements and obligations under the ISO 14001 management system are leading in this and the starting point for continuous improvement.

## **SUSTAINABLE FOCUS**

A primary focus in the development of our vehicles is the lowest possible intrinsic weight as a means to achieving minimum fuel consumption. We strive for an optimal balance between ecological and economic interests. The application of advanced techniques such as clean diesel, hybrid, electric, fuel cell and/or alternative propulsion, and battery lifecycle management are central to this. VDL Bus & Coach strives to use materials sustainably and to reduce waste. All employees, whether permanent or temporary, must comply with these principles in their work.

## **LIVEABLE CITIES**

VDL Bus & Coach is determined to make its contribution to the liveable city. With our electric buses, we contribute to the zero emission targets of many cities and governments. When looking at the relevant part of the liveable city context, we focus on the quality of life. For VDL Bus & Coach the focus here lies in air quality (mobility emissions) and providing mobility (solutions). The central element in this focus is the aforementioned energy transition, which is changing the current mobility landscape. Within the energy transition, the focus is on the shift towards using more sustainable energy.

## **HAZARDOUS SUBSTANCES POLICY**

VDL Bus & Coach intends to use only qualified component manufacturers for our products. Our manufacturers are required to operate in accordance with REACH, the European Union regulation on chemicals and their safe use (EC 1907/2006). It deals with the Registration, Evaluation, Authorisation and Restriction of Chemicals. VDL Bus & Coach fully supports the aims of REACH in improving the protection of human health and the environment through better identification of the intrinsic properties of chemical substances at the start of the process. The law specifies the registration of chemical substances that are produced and imported. Suppliers of products that contain these substances are required to inform clients that use these products about how to handle these professionally.



VDL Bus & Coach operates an active policy in the field of hazardous substances. On the one hand, we are committed to REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals); on the other, we maintain a minimisation obligation for CRM (Carcinogenic, Mutagenic, Reprotoxic) substances.

Our purchasing department actively manages the REACH requirements for our current and future suppliers, as determined by law. If a substance in a component is part of the REACH registration, the REACH coordinator is informed to take action accordingly. Firstly, the coordinator checks the REACH list legislation and whether the component containing the substance should be accepted in our vehicle. Next, the substance is added to the respective vehicle list. Then, a description of the substance is made and the supplier is requested to replace the substance in the component with a non-hazardous substance. Lastly, related stakeholders are contacted (suppliers, customers, authorities, internal stakeholders, and other related parties) and the communication history is archived. A yearly external audit is conducted on our Certified Management System, which includes REACH.

VDL Bus & Coach bases its knowledge of material content on information provided by third parties and has taken and continues to take commercially reasonable steps to provide representative and accurate information. However, it may not have conducted destructive testing or chemical analysis on all incoming materials and chemicals.

## **CONFLICT MINERALS**

VDL Bus & Coach endeavours not to purchase any material that contains 'conflict minerals', which include, but are not limited to, any cassiterite (tin ore), wolframite (tungsten ore), coltan (tantalum ore), gold, or their derivatives which directly or indirectly finance or benefit armed groups in the Democratic Republic of Congo ('DRC') or a neighbouring country.

We do our utmost best to understand where conflict minerals are used in our products, to determine the source and the origin within our supply chain, and we support efforts to eliminate the use of conflict minerals that could promote such serious problems in the DRC and neighbouring countries.

This declaration is governed exclusively by Dutch law. Disputes arising in connection with this declaration, including disputes concerning its existence and validity, shall be resolved exclusively by the materially competent court in the district of East-Brabant, the Netherlands.

# FIND OUT MORE

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