

Supplier Sustainability Policy

VISSCHER-CARAVELLE AUTOMOTIVE GROUP



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1. INTRODUCTION

This document contains Visscher Caravelle's ("VC") expectations related to conduct of parties doing business with VC. This concerns both direct and in-direct supplies. Suppliers are expected to understand and act consistently with VC's approach to integrity, responsible sourcing and supply chain management. VC expects that its suppliers will cascade similar expectations through their own supply chains.

VC expects co-operation with suppliers who meet applicable standards and behave consistently with VC's values throughout the supply chain. VC chooses its suppliers strategically and expects that all requirements will be satisfied, in compliance with contracts, specific laws, regulations and act consistently with the principles and values of VC's Code of Conduct and this Supplier Code of Conduct.

2. HUMAN RIGHTS & WORKING CONDITIONS

2.1. Child Labour

Suppliers will not use child labour. VC has a zero tolerance policy regarding the employment of children where the age of employment is not in accordance with applicable laws.

2.2. Conditions of Employment

Suppliers will comply with applicable laws regulating work hours, wages and benefits. Employees must be paid in a timely fashion that meets or exceeds minimum legal standards.

2.3. Forced Labour

Suppliers will not use slave, prisoner or any other form of forced or involuntary labour. Suppliers must take reasonable measures to ensure that all of their employees understand the terms of their employment.

2.4. Freedom of Association and Collective Bargaining

Suppliers will comply with applicable laws that recognize and respect the rights of employees to freedom of association and collective bargaining.

2.5. Harassment & Discrimination

Suppliers will not discriminate on the basis of gender, colour, race, national origin, religion, sexual orientation, age, veteran status, disability or gender identity. Harassment or discrimination of any kind will not be tolerated.

2.6. Human Trafficking

Suppliers will not engage, directly or indirectly in human trafficking. VC prohibits human trafficking abuses.

2.7. Labour Brokers

If necessary for a supplier to use a labour broker, the supplier will ensure the broker follows this code of conduct, employs ethical recruitment practices, complies with applicable laws and does not withhold identity documents.

2.8. Workplace health & safety

Suppliers will provide clean, healthy and safe environments for their employees that meet or exceed legal standards. Suppliers will have safety procedures for their employees and tracking tools that drive to a goal of zero workplace safety incidents. Supplier employees will have the right to refuse work and report any conditions that do not meet these criteria.

3. ENVIRONMENT

3.1. Continuous Improvement

Suppliers will increase efficiency throughout their companies and take measures to reduce their carbon footprint, energy use, water use, wastes, and other emissions. Over time, VC expects suppliers will establish targets and be transparent in their progress toward their targets.

3.2. Responsible Stewardship

Suppliers will look to conserve resources and protect the communities and environment that surrounds them. VC encourages its suppliers to develop and diffuse environmentally friendly technologies and to increase the use of renewable energy.

3.3 Air quality

Is it expected that VC supplier:

- has the necessary permits for emission to air,
- complies with any other legal requirements on emissions to air (e.g. certain air pollution standards and limit values covering the specific type of production),
- documents and provides information on levels and types of relevant emissions to air - including documentation of adequate training of employees responsible for air emissions,
- includes diffuse emissions from its activities in estimates of total emissions,
- has no visible signs of soot or other particles in and nearby the supplier's facilities as a result of their emissions to air,
- keeps emissions in closed systems before emitted to air,
- cleans / treats emissions before emitted to air (e.g. by applying filters),
- clearly attempts to reduce air emissions through production efficiencies.

3.4 Energy consumption & Greenhouse gas emissions

It is expected that VC supplier:

- complies with regulation regarding use of energy resources and emissions of the six greenhouse gasses (GHG) (CO₂ - Carbon dioxide, CH₄ - Methane, N₂O - Nitrous oxide, PFCs - Perfluorocarbons, HFCs - Hydrofluorocarbons, SF₆ - Sulphur hexafluoride) (e.g. European Emissions Trading Scheme or other national legislation regarding climate),
- measures and is able to document emissions of GHG and energy use,
- has targets for reducing emissions of GHG and energy use,
- has targets for the use of renewable energy sources to reduce reliance on fossil fuels,
- has an action program for meeting reduction targets on emissions of GHG and energy use.

3.5 Waste management

Is it expected that VC supplier:

- has the necessary permits for the handling, storage and disposal of hazardous and non-hazardous waste,

- complies with any other legal requirements for the handling, disposal and storage of hazardous and non-hazardous waste (e.g. on-site by landfill or incineration, certain standards or procedures),
- documents a list or register of hazardous and non-hazardous waste handled, stored and disposed of, including type and quantity (e.g. over the past three years),
- provides information on safe handling, storage and disposal of hazardous and non-hazardous waste - including documentation of adequate training of employees who handle hazardous and non-hazardous waste.
- provides necessary protective equipment for handling hazardous and non-hazardous waste,
- clearly marks areas used for storage of hazardous and non-hazardous waste,
- labels all barrels and containers containing hazardous and non-hazardous waste e.g. including type of waste and a relevant symbol of danger,
- clearly attempts to prevent and reduce the production of hazardous and non-hazardous waste through production efficiencies and alternatives,
- documents disposal receipts from transport contractors,
- ensures that contractors are licensed for transport, storage and final disposal of hazardous waste.

3.6 Natural resources management

Is it expected that VC supplier:

- has the necessary permits for the cultivation, harvest, extraction and/or production related use of natural resources in production (renewable and non-renewable),
- complies with legal requirements regarding the cultivation, harvest, extraction and/or production related use of natural resources,
- documents a list or register regarding the cultivation, harvest, extraction and/or production related use of natural resources,
- documents that employees involved in cultivation, harvest, extraction and/or production related use of natural resources are adequately trained and have the right competencies,
- clearly attempts to prevent, minimize and remedy significant impacts from the cultivation, harvest, extraction and/or production related use of natural resources through environmentally friendly methods, efficiencies and alternative resource use,
- knows and can document the origin of all natural resources cultivated, harvested, extracted and/or used in production.
- in case of cultivation, harvest, extraction and/or production related use of natural resources (e.g. water) does not negatively affect the surrounding natural environment or communities
- in case of cultivation, harvest and/or use of renewable resources do not negatively affect the sustainability of the resource,
- demonstrates efforts to substitute non-renewable resources used in production with renewable resources.

3.7 Water quality & consumption

Is it expected that VC supplier:

- preserve water resources through an assessment of water stress in operations and throughout the life-cycle and integrate water management into the business plan

4. BUSINESS INTEGRITY

4.1. Anti-Corruption/Anti-Bribery

Suppliers will not tolerate corruption, bribery, embezzlement or fraud in any form. This includes giving or receiving anything of value, including money, gifts or unlawful incentives to improperly influence

negotiations or any other dealings with governments and government officials, customers or any other third parties.

4.2. Counterfeit parts

VC business partners are expected to develop, implement, and maintain methods and processes appropriate to their products and services to minimize the risk of introducing counterfeit parts and materials into deliverable products. Companies are also expected to establish effective processes to detect counterfeit parts and materials and, if detected, quarantine the materials and notify VC and/or law enforcement as appropriate.

4.3. Disclosure of information

VC requires its business partners to disclose financial and non-financial information in accordance with applicable regulations and prevailing industry practices and, when applicable, disclose information regarding their labour force, health and safety practices, environmental practices, business activities, financial situation and performance. It is obligatory that no exchange of confidential or sensitive information is made, even if it is carried out via third parties. Sensitive information include things like prices, timing of price changes, magnitude of price changes, costs, profit margins, sales forecasts, sales plans, sales territories, distribution practices, terms offered to particular customers, capacity utilization and intentions, competitive bidding plans or strategy, pricing and marketing strategies, product plans and market shares. This also applies when participating in fairs or trade association meetings.

4.4. Ethical Behaviour

We expect our business partners to disclose to us whenever a situation arises in which there appears to be a conflict of interest involving or affecting VC. Suppliers will operate honestly and ethically throughout the supply chain and in accordance with applicable law, including those laws pertaining to: anti-competitive business practices, respect for and protection of intellectual property, company and personal data, export controls and economic sanctions.

4.5. Fair Competition

Our business partners must support fair business and fully comply with all applicable fair trade, advertising, competition and antitrust laws. We expect our business partners to compete fairly and to never entering into any understanding or agreements that hinder competition. Accordingly, this means that as a business partner you should not undertake in any way with any competitor to: fix prices, discounts or terms of sale; or divide markets, market shares, customers or territories.

4.6. Financial responsibility

VC expects its business partners to accurately record, maintain and report business documentation including, but not limited to, financial accounts, quality reports, time records, expense reports, and submissions to customers or regulatory authorities, when appropriate. Books and records are expected to be maintained in accordance with applicable law and generally accepted accounting principles.

4.7. Privacy

VC expects its business partners to follow applicable law and rules governing privacy and data protection in all countries where VC operates. It is obligatory that the privacy of VC, its employees and its customers is respected.

4.8. Protecting information and Intellectual Property

VC business partners must respect intellectual property rights and protect confidential information by safeguarding it against misuse, theft, fraud or improper disclosure.

4.9. Reporting and Non-Retaliation

Suppliers will provide an adequate mechanism for their employees to report integrity concerns, safety issues and misconduct without fear of retaliation. Suppliers will also appropriately investigate reports and take corrective action if needed. Suppliers will prohibit retaliation.

4.10. Stakeholder Engagement

Suppliers will communicate these or substantially similar codes to their suppliers and subcontractors. Suppliers will continuously improve their sustainability and stakeholder engagement progress. VC also encourages suppliers to work closely with local communities to implement projects and strategies that improve the community and those who live there.

Suppliers will develop and implement appropriate internal business processes and policies to ensure compliance with applicable law and this Supplier Code of Conduct. Suppliers will be able to demonstrate compliance with this Code upon our request and will take any action to correct any non-compliance.

4.11. Responsible sourcing of materials

Suppliers are expected to conduct due diligence to understand the source of the raw materials used in their products.

Suppliers are expected to not knowingly provide products containing raw materials that contribute to human rights abuses, bribery and ethics violation, or negatively impact the environment.

Specifically in terms of conflict minerals, suppliers are expected to use validated conflict free smelters and refiners for procurement of tin, tungsten, tantalum and gold contained in the products they produce.

4.12. Responsible chemical management

Is it expected that VC supplier:

- Identify and manage chemicals to ensure their safe handling, movement, storage, use, recycling or reuse and disposal
- Provides Safety Data Sheets/Material Safety Data Sheets that comply with all applicable laws and regulatory requirements
- Work towards establishing programs (IMDS or equivalent) to collect data from material manufacturers for all components, identifying all process chemicals and intermediates that are identified as classified hazardous substances according to local law, or being considered for classified hazardous evaluation
- Measure data completeness against bill of materials (BOMs), identify data shortages, and take corrective measures to assure data is traceable to the material manufacturers

4.13. Conflicts of Interest

Suppliers are expected to make decisions based on solid business judgement unclouded by favouritism / favouritism resulting from personal relations and opinions

4.14. Export controls and economic sanctions

Is it expected that VC supplier:

- Establish appropriate policies and procedures to ensure compliance with applicable export controls and economic sanctions laws and regulations of all relevant countries. These laws and regulations impose restrictions on the export or re-export of goods, software, services, and technology to certain destinations, as well as prohibitions on transactions involving certain restricted countries, regions, entities and individuals
- Appropriate policies and procedures may include: a statement of management's commitment to compliance; periodic training for relevant personnel; procedures for screening business partners (including suppliers, customers, service providers, and other

relevant parties, as well as their beneficial owners) against applicable government lists of restricted parties; appropriate contractual provisions to ensure business partners comply with such applicable laws and regulations; an audit function; and policies and procedures for reporting and remediating potential violations.

5. CONCERNS

Subject to any restriction posed by law, suppliers will promptly inform VC of any concern related to issues governed by this Supplier Code of Conduct. VC policy prohibits retaliation against any person reporting such a concern. To report a concern, suppliers can always speak directly to their VC Contracting and Procurement and Supply Chain representative. Individuals can report an issue 24 hours a day, 7 days a week by phone, email, post or fax. Individuals reporting concern can remain anonymous, as permitted by law.