



## INTRODUCTION

In a complex, competitive business, the choices you face on the job aren't always so clear-cut. Ethical dilemmas are a reality of our world—and the VSE Ethics Policy presents us a framework to identify and address those dilemmas. Employees in all areas and levels of our business are responsible for understanding and complying with our VSE Ethics Policy.

We expect from everyone to fully comply with this policy and I encourage you to be a champion for integrity by engaging fellow colleagues and customers in conversation and setting an example through your words and actions.

We also expect and need you to speak up if you have concerns about any inappropriate behaviour you observe. It's important for us to know about issues upfront so we can work to resolve them immediately. We recognize the responsibility that comes with that requirement. And we know that the decision to speak up can be a difficult one. Silence can condone questionable behaviour -- and the actions or inactions of just one colleague who makes a poor choice can impact our entire company. That's why we're committed to sharing the responsibility with you.

A strong commitment to ethics isn't just the right way to do business. It's how we earn the trust and respect that is critical to our success, and our ability to help more people live better. Our customers trust us to be their advocate. Our suppliers trust us to be an equitable partner. And as VSE team members, we trust each other to uphold the highest standards every day.

Please take your time to read through the following pages to learn and fully understand what is expected from each VSE employee. I am confident that our commitment to ethics will continue to guide us well as we continue our journey together.

Juul Ijzermans



CEO VSE

## WHY A VSE ETHICS POLICY?

In order to ensure consistency in the way we work within VSE as well as outside the company, we have set up this VSE Ethics Policy document. It presents a clear framework how to act as a representative of our company and advises you on actions to take whilst identifying a potential breach of our policy.

### Taking action

We expect everyone to inform us on any suspected violation of our VSE Ethics Policy. A potential violation is a serious matter. We're all responsible for protecting our culture of Integrity. The company also protects you: We do not allow retaliation for good-faith reports of possible ethics violations and we shall afford confidential treatment where appropriate.

If you think the VSE Ethics Policy is being violated, or if you have an ethics question, you have several options:

- Discuss the issue with your manager or supervisor.
- Discuss the issue with any other senior manager with whom you feel comfortable to have such a conversation.
- Contact the HRM.

#### It's good for you

The VSE Ethics Policy promotes a common understanding of right and wrong, wherever we operate. You know what you can expect when you're at work, and what is expected of you, your colleagues, our partners and suppliers.

#### It's good for business

Acting with integrity empowers the company to uphold our reputation, attract and retain outstanding employees, and meet the high expectations of our customers, partners and communities. In short, the VSE Ethics Policy gives us a competitive advantage.

## HEALTH, SAFETY AND ENVIRONMENT

It is essential that our employees work in healthy and safe environments:

- Always follow safety procedures and guidelines.
- Understand and follow the safety policies and procedures related to your work.
- Regularly look for ways to improve workplace safety.
- Do your best to avoid accidents and to help others avoid them.
- Report all accidents, near misses and safety issues.
- Help create a physically and emotionally safe work place.
- Do not commit or permit violence.
- Never be under the influence of drugs or alcohol at work.

We are committed to providing safe and quality products, services and solutions. You should immediately contact quality management personnel or your supervisor if you believe there is:

- Any deficiency in product design, safety, installation, or maintenance that threatens anyone's health or safety.
- Anything that may harm the quality of our products or services.
- Anything that may harm the company's reputation.
- Anything that may harm the company's financial interests.

VSE products, services and manufacturing methods reflect our long tradition of caring for the environment.

- Follow environmental laws and regulations as well as company policies for protecting the environment.
- Follow environmentally responsible practices such as waste management, source reduction, recycling and energy conservation.

“We take responsibility for the environment, health and safety of our employees and strive for good working conditions



## EQUAL OPPORTUNITY

The company will ensure that its employment-related decisions are based on relevant qualifications, merit, performance and other job-related factors.

- Respect everyone you deal with and behave fairly towards them. You should understand the value of diversity and never discriminate.
- You should base hiring, evaluation, promotion, training, development, discipline, compensation and termination decisions on qualifications, merit, performance and business considerations only.
- Do not discriminate according to race, colour, religion, age, gender, sexual orientation, marital status, disability, ethnic origin or nationality.
- Be aware of local legislation and cultural factors that may impact decisions.



## Harassment

The company will not tolerate any action, conduct or behaviour which is humiliating, intimidating or hostile. You should be particularly sensitive to actions or behaviours that may be acceptable in one culture but not in another. Harassment includes language or conduct that others may find derogatory, intimidating or offensive.

- Treat others with respect and avoid situations that may be perceived as inappropriate.
- Challenge someone if you find their behaviour hostile, intimidating or humiliating. Harassment can result in disciplinary action and may lead to dismissal.
- Immediately report all incidents of harassment.

# ANTI-BRIBERY AND CORRUPTION

Bribery occurs when you offer, pay, seek or accept a payment, gift or favour to influence a business outcome improperly. This applies to both public and private functions. Corruption is the misuse of public office or power for private gain; or misuse of private power in relation to business outside the realm of government.

Bribery and corruption - whether involving government officials, or commercial entities, including joint ventures - can be direct or indirect through third parties like agents and joint venture partners. It includes facilitation payments even though in some countries facilitation payments are legal. Even turning a blind eye to your suspicions of bribery and corruption can result in liability for the company and for you personally.

- You must not offer, pay, make, seek or accept a personal payment, gift or favour in return for favourable treatment or to gain any business advantage.
- You must follow the anti-bribery and corruption laws that we are subject to, both those of the countries we are operating in, and those which apply outside the country whose laws they are (for example, the UK and NL).
- You are liable to disciplinary action, dismissal, legal proceedings and possibly imprisonment if you are involved in bribery and corruption.
- Accurately record in the company's books all your transactions including your expenses and any gifts or entertainment you provide.
- Do not associate with business partners who engage in corrupt practices. Regularly screen business partners and stop working with them if you reasonably suspect corruption.
- Do not provide gifts, entertainment or other favours to a union representative without consulting the Legal Department.

## Dealings with government officials

The offering of gifts and hospitality including travel-related expenses for government officials creates special concerns. Some countries have very strict limitations on the value and nature of gifts and entertainment their officials can accept. Gifts and hospitality that are acceptable between private business partners may be unacceptable between a business and an official. In addition, third party behaviour can result in liability for you and the company if you fail to conduct appropriate due diligence on third parties who deal with government officials on the company's behalf, or if you disregard the results of such due diligence.

- You must have permission from Senior Management to offer gifts and hospitality to government officials. You must not offer gifts and hospitality to the spouses, family members or guests of a government official.
- You must not pay for non-business travel and hospitality for any government official.
- You must comply with all applicable laws and with the company's internal procedures and directions regarding gifts and hospitality to government officials.

## Gifts and hospitality

Gifts and hospitality include the receipt or offer of gifts, meals or tokens of appreciation and gratitude, or invitations to events, functions, or other social gatherings, in connection with matters related to our business. These activities are acceptable provided they fall within reasonable bounds of value and occurrence.

- You must not allow gifts and hospitality to influence your business decisions, or cause others to perceive an influence. If you are influenced or seek to influence someone you can face legal or disciplinary action or dismissal.

The company discourages its employees from accepting gifts and hospitality from business partners. Decline gifts and hospitality if you would feel uncomfortable telling your manager or supervisor, colleagues, family, friends or the public that you had accepted them.

You and your family members must never in connection with the company business offer, give, seek or accept:

- illegal or inappropriate gifts and hospitality;
- cash or cash equivalents;
- personal services;
- loans;
- events or meals where the business partner is absent; or
- gifts or hospitality during periods when important business decisions are being made.
- Never offer, give, seek or accept gifts and hospitality that exceed prescribed value limits, unless senior management approval has been obtained.
- Comply with local laws and regulations.
- Understand that local customs cannot be followed if they conflict with the company's policies.

“In a complex, competitive business, the choices you face on the job aren't always so clear-cut.”



## Facilitation payments

In many countries, it is customary business practice to make payments or gifts of small value to junior government or other officials to speed up or facilitate a routine action or process. It may be that we need to obtain licenses or permits faster than the normal course; or, we may need lawfully to import or export materials.

Despite this, facilitation payments as defined here are against this the company's policy and we take the view that they are illegal, even if that is "how business is done here".

However, in the event that a facilitation payment is being extorted, or if you are forced to pay under duress or faced with potential safety issues or harm, such a payment may be made, provided that certain steps are followed. If you are ever placed in such a situation, you must contact senior management as soon as possible and you must record the payment appropriately within the company's books and records to reflect the substance of the underlying transaction.

If you are concerned that a corrupt act of some kind is being considered or carried out – either within the company, by any of our business partners or by any of our competitors – you must report the issue/concern.



You must register:

- all gifts and hospitality given to government officials, except those of nominal value like a cup of coffee;
- any gifts and hospitality that could be perceived as creating a conflict of interest;
- all gifts and hospitality given or received from third parties that exceed allowed value limits; and
- all declined gifts and hospitality that exceed allowed value limits.

# COMPLIANCE WITH LAWS

As a global operating company, VSE must follow the laws and regulations of each country in which it operates.

Follow the company's policies and procedures.

- Follow the laws that apply to your work.
- If you're not sure which laws apply, or you think the laws of two or more countries conflict, ask senior management for help right away.
- Report any known or possible violations of the law by company employees or its business partners.

## Competition law (antitrust)

Competition law protects free enterprise and prohibits behaviour that limits trade or that restricts fair competition. These laws apply to every level of business and they become increasingly important as the company grows larger and internationally. They combat illegal practices like price-fixing, market-sharing or bid-rigging conspiracies, or behaviours that aim to achieve or maintain monopoly. The company does not tolerate violation of Competition laws.

- You must not agree with competitors of the company to fix price or any elements of price (such as discounts, rebates or surcharges).
- You must not rig bids or tenders, and you must not agree with others to boycott any customers or suppliers except in connection with internationally imposed sanctions. Agreements with competitors to reduce or stabilize production, capacity or output are forbidden.
- You must not agree with independent distributors or resellers to fix a minimum resale price of a product.
- Do not agree, even informally, with competitors on pricing, production, customers or markets without a lawful reason. Always get legal advice on whether a practice is lawful.
- Decisions on the company's pricing, production, customers and markets must be made by the company alone.

### **Do not discuss with competitors:**

- which suppliers, customers or contractors the company deals and will deal with;
- which markets the company intends to sell into; or
- on what terms the company will deal.

# SAFEGUARDING INFORMATION AND ASSETS

Intellectual, physical and financial corporate assets are valuable and must be preserved, protected and managed properly. Personal Data and Intellectual Property must be safeguarded. Information Technology (IT) and communications facilities should be used responsibly. Records must be accurate and appropriately retained. Fraud, theft, abuse or misuse of company's assets is unacceptable.

## Confidential information and IP

We protect the company's confidential information and respect that of our competitors. Sharing the company's confidential information is not allowed.

- Protect confidential information about company's products, activities, performance and plans.
  - Disclose confidential information only on a "need-to-know" basis, even with other company employees.
  - Never disclose confidential information unless you already have a non-disclosure agreement or a confidentiality agreement.
  - Secure confidential information where others cannot see when you are not reviewing it.
  - Report all suspected breaches of confidentiality.
- Protect third-party, non-public information
  - Do not seek or receive competitors' trade secrets or confidential information unless the disclosure is covered by a non-disclosure or confidentiality agreement approved by the Legal Department.
  - We compete fairly and honestly. Do not use illegal or unethical means to learn a competitor's confidential information.
  - If you have non-public, confidential information from previous employment with a competitor, then you must continue to keep that information confidential, even from the company.
- Protect company confidential information
  - Safeguard all intellectual property, including copyrights, patents, licenses, trademarks and other trade secrets.
  - Protect all company confidential information even after you stop working with the company

"We protect the company's confidential information and respect that of our competitors."



## Protection of assets

Corporate assets can be financial, physical or intangible and include buildings, equipment, funds, software, know how, data, patents and other IP.

- Protect company assets against waste, loss, damage, misuse, theft, misappropriation or infringement.
- You must use company assets appropriately and responsibly.
- You must respect the physical and intangible assets of others.
- A failure to follow the requirements of this policy or any laws or regulations may result in disciplinary action, including termination of employment.

## Personal use of IT

We use company assets such as e-mail, Internet access, telephones and computers responsibly and honourably. Company's computing resources should be used for company purposes. Information on company computer systems, including e-mail and other Internet-related systems, is the property of the company, to be used for company business.

- Following company's policies on use of IT facilities.
- Do not use company resources to offend, harass or threaten others or to access or store illegal or generally offensive material.
- While you're at work or using a company computer or mobile device, do not visit Internet sites with offensive content related to sex, race, religion or other protected categories.
- Do not use company resources to reproduce, display, distribute, or store materials that violate any party's trademark, copyright, licensing or other intellectual property rights.
- Get authorization before installing software or connecting hardware.
- Do not use personal email accounts for company email communication.

