

Code of Conduct -

Dear Colleagues

The success of a company depends not least on the integrity of the persons involved in it. Integrity is a requirement for the reputation and commercial success of a company operating on the global market. One key element in integrity is appropriate conduct in daily business life and the daily operation of the company. This Code of Conduct is provided for orientation purposes.

Should you have any queries with regard to appropriate conduct, please contact your line manager in the first instance.

1. Principles

Our business ethic and our integrity ensure the credibility of our company. It goes without saying that staff in our various group companies must comply with the laws and regulations of the countries in which they operate and must fulfil their obligations in this respect in a reliable manner. They are obliged to show integrity and fairness in all aspects of their business activities. We expect the same from our partners. Should any customs, legal provisions or other rules of a country in which Spheros operates deviate from the provisions of this Code of Conduct, the more stringent provisions apply in each instance.

We firmly believe that ethical and economic values are codependent and that the business world must actively strive towards a fair way of dealing with each other and operate within the framework of prescribed standards.

Our principles:

- We enforce strict compliance with local and international laws and regulations.
- We treat business partners, suppliers, customers, staff and colleagues fairly at all times.
- Employees are required to report any breach of these ethical guidelines or principles. The first point of contact here is always your line manager.
- No employee should suffer any disadvantage in the company as a result of abiding by law, provisions of the law or the requirements of this Code of Conduct.

2. Conflict of interest, involvement, making or accepting benefits

Spheros expects its staff to be loyal to the company.

All employees must avoid situations in which their personal or financial interests are in conflict with those of Spheros. It is, in particular, prohibited to have interests in a competitor, supplier or customer company or to do business with such companies in a private capacity where such activity could result in a conflict of interest. Such a conflict of interest is always present if the nature and extent of the involvement is such that it could influence the employee's actions in the performance of his/her duties for Spheros in any kind of way. An "interest" is considered primarily to be any economic involvement with a competitor, supplier or customer. This also includes any instance of significant collaboration such as the assumption of mandates, consultancy agreements or other comparable agreements.

No employee may solicit, accept, offer or grant benefits, regardless of their nature, in particular personal gifts or benefits, which may result from business relations with Spheros (with the exception of smaller gifts of a value of up to 50 Euro and invitations that are deemed to be within the limits of normal business hospitality). This applies in particular to benefits which, seen reasonably, must be assumed to have the potential to influence business decisions or transactions. It is not permitted to privately commission persons or companies which are at the same linked to Spheros in business relationships, unless it can be excluded that this could lead to an improper advantage for the employee and/or to damage for Spheros.

Conditions which Spheros has obtained through negotiation for staff as a whole are deemed to be permissible.

3. Bribery and corruption

No employee may influence decisions of business partners, their employees or other third parties in the context of business dealings of any kind by means of bribery or in a similar manner, or attempt to do so, or conversely allow him-/herself to be influenced in such a manner when making decisions.

4. Handling internal knowledge, confidentiality

All employees are obliged to ensure that information exchange occurs quickly and smoothly within the company. Any knowledge that is relevant to a task may not be withheld, distorted or selectively passed on without good reason. Information should be passed on to other departments correctly and in its entirety, provided there are no overriding interests in exceptional circumstances (for example, non-disclosure agreements).

Company and trade secrets are to be treated confidentially on principle. This applies equally to other information (e.g. technical data, financial data, company data and customer information), which it is in the interest of Spheros, its contractual partners and customers to keep confidential. Such information may only be used for legitimate purposes, which are in the interest of Spheros, and may not be passed on to external third parties without permission. This obligation of non-disclosure continues even after the employment relationship has ended.

5. Privacy policy

Each employee must adhere to the statutory and corporate principles of data protection that apply at Spheros with regard to employees, customers and investors. The requisite duty of care must be applied to the protection of personal data within the scope of an allocated task. Please note that personal data may only be collected, stored, processed and otherwise used in line with the statutory basis or with the permission of the people concerned.

Any shortcomings or deficiencies ascertained should be reported without delay to the line manager or the relevant data protection officer.

6. Documenting business transactions

All business transactions must be documented accurately and in their entirety, in accordance with relevant statutory requirements and processes and any additional requirements or processes applicable at Spheros, and in such a way that they are comprehensible to third parties.

7. Handling company property and assets

All employees are obliged to handle company property and assets appropriately, economically and, in all respects, responsibly. The material and immaterial property of Spheros must only be used for company purposes, unless otherwise agreed in individual circumstances or on the basis of general company rules. No employee may use the products or services of the company impermissibly in a private capacity.

8. Respecting human dignity

Ethical behaviour is a basic principle at Spheros. The company respects the dignity of the human being and is committed to human rights and the protection of human rights. Every employee must ensure that these universal basic rights are respected. This applies not only to collaboration within the company but also naturally to the conduct of external business partners and towards them.

Spheros does not tolerate child labour or any form of exploitation of children or adolescents. The minimum age for admission to employment must not be less than the age of completion of compulsory education and under no circumstances, below 15 years of age.

Spheros rejects all forms of forced labour. No employee may directly or indirectly, by means of violence and/or intimidation be forced to work. Staff must only be employed if they have willingly made themselves available for employment.

9. Equal opportunities and ban on discrimination

The diversity of staff provides for high potential. Therefore, Spheros employs staff from varying backgrounds and levels of experience, based on this conviction. All staff are called upon to create an atmosphere of respectful cooperation and to resolutely oppose any form of discrimination on the grounds of race or ethnic origin, gender, religion, ideology, disability, age or sexual orientation.

10. Health and safety

All staff in our various companies are responsible for ensuring a safe and healthy working environment. Strict adherence to safety regulations and practices is an essential condition to ensure this. Employees are obliged to report any breach of these principles to the relevant department at the company immediately. Any serious defects are to be eliminated without delay.

11. Protection of the environment

Spheros is aware of the ecological impact of its business activity and is committed to the protection of land, water, air, biodiversity and cultural assets. All employees in our various group companies have to guard against the occurrence of harmful environmental effects, when carrying out their duties, by implementing preventative and reductive measures to achieve sustainable economic activity; they must exercise care in their treatment of natural resources.

Our environmental principles:

- Spheros is a leading supplier worldwide in the bus market, supplying products that contribute to the enhanced comfort and acceptance of environmentally-friendly means of transport. Our employees implement our environmental principles in their daily work.
- Sustainability is our primary concern in the development of new products and product processes. The statutory requirements in this respect represent only the minimum standard.
- Spheros works with dedication on new, resource-friendly and efficient concepts to make our contribution to a secure and better future.

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- When choosing our suppliers and contractors, companies that have a proactive environmental policy are given priority.
- Caring for the environment through quality means that every quality improvement also has an impact which is relevant for the environment. This is explicit in reduced wastage, longer product lifetime, weight-reduced and recyclable products with reduced energy consumption and environmentally-friendly packaging.

The Spheros environmental principles may be extended by specific requirements for local Spheros subsidiaries. All statutory and local authority specifications in this respect must be strictly adhered to. Any environmental damage caused must be reported without delay to the company department in charge.

12. Responsibilities

The (ethical) principles and rules of conduct of this Code of Conduct are the core of our corporate culture. It is essential to abide by these principles and each employee is responsible for this. All employees are aware that, through their behaviour, they also represent the company and shape its reputation externally and its culture internally. All employees treat others as they would expect to be treated themselves. This results in fairer and more respectful treatment for our customers and others involved in a business relationship with the company.

Managers have a special responsibility. They are bound to impart the meaning and content of this Code of Conduct to their staff, to set an example and to support their staff in implementing it. Managers are responsible for ensuring that their staff abide by the Code of Conduct. They therefore monitor and check compliance. However, this should not limit the extent to which employees can act on their own individual responsibility within the permissible range.

A handwritten signature in black ink, appearing to read "H. Zanker".

Helmut Zanker

A handwritten signature in blue ink, appearing to read "H. Scheid".

Helmut Scheid

A handwritten signature in black ink, appearing to read "Stefan Junker".

Stefan Junker

A handwritten signature in black ink, appearing to read "F. Foth".

Franz Foth

A handwritten signature in blue ink, appearing to read "J. Haack".

Jürgen Haack

Gilching, 1st September 2011