



HEULIEZBUS



Sustainable development commitments



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As a designer and manufacturer of urban buses and systems of transport, HEULIEZ BUS is involved in economic, social and environmental issues and undertakes through its activity, its products and its staff to participate in the sustainable development.

1. Economic commitments

1.1 The Company

HEULIEZ BUS is a company of the IVECO Group. This world-size occupies the second position on the European market. HEULIEZ BUS pursues the ambition to be a manufacturer at the best quality level in Europe, to constitute an indispensable and additional industrial tool to the other sites of his shareholder IVECO.

In France, the HEULIEZ BUS Company sells the Access'Bus range under its own brand and produces for IVECO, the "Cristalis" trolleybuses and the "Civis" tramways on tire under the IRISBUS brand. Since 2005, HEULIEZ BUS also develops in the export by marketing its range of midibuses under the IRISBUS brand with the assistance of the commercial organization Irisbus-Iveco.

All the departments of the company: R&D, production, sales, after-sales, training, spare parts, accounts, purchasing, human resources are merged on a site situated in RORTHAIS (79).

1.2 The economic performance of the company

HEULIEZ BUS is known in France as an important leader in the field of urban transport. This sector has known a regular growth for several years now and is directly involved in the qualitative and environmental challenges facing by local authorities, in terms of image, noise and transport emissions reduction.

More and more, the urban transport will stand out as a major alternative to the private car and will provide a long-term sustainable growth to this sector.

With its positioning of 2nd manufacturer of buses in France and its membership to the 2nd European group of public transport vehicles in terms of sales, HEULIEZ BUS undertakes to devote the economic resources necessary to its ambitions regarding quality, environment and sustainable development.

During the last years, HEULIEZ BUS has shown its capacity to ensure a regular growth of its stockholders' equity and to maintain its debt at a low level in spite of the significant and regular investments carried out. They are the best indicators of a management impregnated with this will to ensure our commitments within the framework of careful, modern and implied governance.



1.3 The quality of service

In order to estimate the satisfaction of the customers, the after-sales department is in charge of all anomalies detected by the customers and concerning all the products sold by HEULIEZ BUS including spare parts, documentation, training, whatever the method of claim is (visits, phone calls, mails...).

In response to the customer's requests, a special attention is paid to the following points:

- Strong presence by customers' and dealers'.
- Maximum of spare parts delivered in 24 H.
- 7 000 spare parts in warehouse.
- Training courses adapted to the customers vehicles and to the service jobs.
- Visits of the plant by the customers to show our know-how.



2. Social commitments

2.1 The satisfaction of the Customer

The vocation of HEULIEZ BUS is to satisfy its customers, offering them adapted products and services whose level of quality perfectly meets their requirements and comply with the regulations in force.

2.1.1 Adapted products

HEULIEZ BUS is able, to design innovative vehicles, of different sizes to comply with the requirements of a more and more segmented market, to develop customizations and interior equipments and thus propose its customers reliable vehicles adapted to their own operating conditions, for example:

- Access without step.
- An enclosed driver's compartment.
- Moulded front wheel arches enabling a lower sitting height.
- Straight aisle for an easy moving inside the bus and easy access to the rear seats.
- Luggage, bicycles racks.
- Well-being improved with the use of high quality materials and a bright interior of the vehicle thanks to a glazed roof or light manholes in the roof or triangular windows.

2.1.2 Accessible vehicle

Complying with the regulation, all the vehicles manufactured by HEULIEZ BUS are designed to welcome people with reduced mobility, thanks to an access ramp, a wheelchair space, 4 PRM seats (People with Reduced Mobility), an acoustic passenger information system and specific push buttons.

2.1.3 Training of the customers

To improve the technician's know-how, HEULIEZ BUS is offering training courses and personalized education which enable the customer's staff to acquire a high level of knowledge in order for them to carry out maintenance of quality, ensuring a good service for their vehicles. Each year, more than 70 courses in topics as varied as electronic diagnosis, mechanics or bodywork are suggested to the customers.

These courses are given by trainers with practical experience having good knowledge i.e.:

- They perfectly know the last new techniques, such as:
 - Diesel engines Euro 4, Euro 5 and E.E.V. (Enhanced Emission Vehicle),
 - CNG engines,
 - Electrical engineering of trolley bus and their electric driveline...
- They work in collaboration with the different departments of our plant to be up-to-date with the specific equipments made on the vehicles in operation by the customers'.
- They follow the evolutions of our products, remaining in contact with the work groups that develop the new products.



2. Social commitments

2.2 Human resources

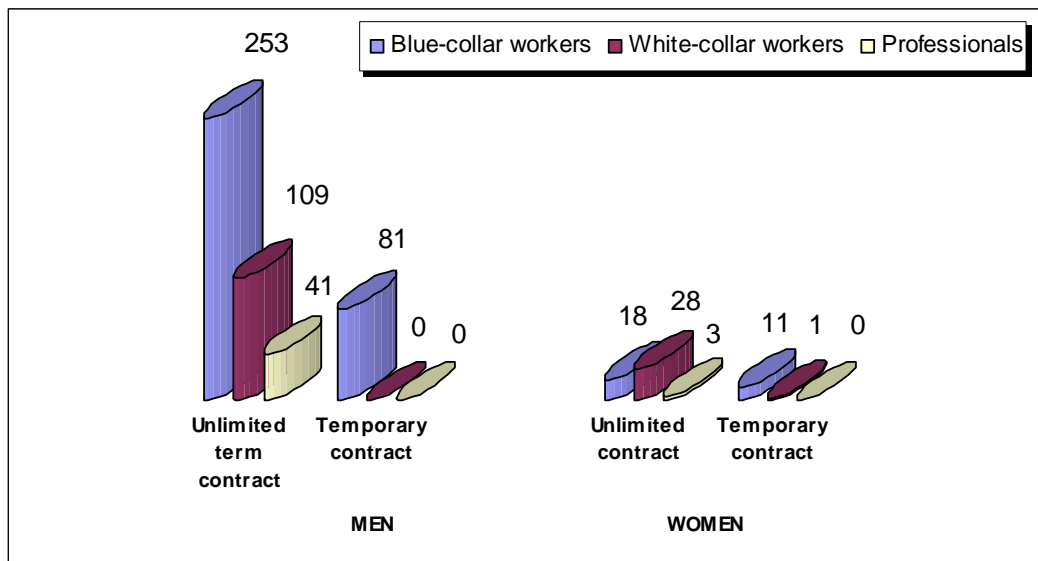
Thanks to **the social policy** led by HEULIEZ BUS, a peaceful atmosphere reigns among the 452 employed persons (2008 figures). The well-being of the employees remains a major cause for concern.

2.2.1 Workforce

As HEULIEZ BUS wish to offer secure and stable employment, all the employees are covered by unlimited term contracts. Therefore 25 new unlimited term contracts were concluded in 2008 (among these contracts 11 wives were employed). Nevertheless, the specificities of the market conditions and the production volumes variations, or the missing people replacement, involve the use of temporary workers.*

**The number of temporary employees fluctuates during the year; the figure shown in the graph below is an average for 2008.*

- Classification by socioprofessional group :



Because of the activity field of HEULIEZ BUS and the jobs that require a production of heavy vehicles, the staff is mainly made of male employees, female employees representing only 11 % of the global staff and 63 % of them work in administrative or technical sectors.

Even though, it is difficult to make comparisons regarding equality, each year the employees representatives are informed by the company regarding equal opportunities for men and women. This reports draws up an inventory of:

- Positions.
- Salary.
- Equality according job categories.

HEULIEZ BUS is also involved, in house, in a rehabilitation plan for the employees with physical contra-indications by improving the ergonomic of the workstations when it is possible or by offering opportunities for transfers towards sectors less physical.



2. Social commitments

2.2.2 Social dialogue

A social policy which has been emphasizing since 1980 the dialogue and consensus thanks to:

- 1 company agreement each year
- 2 profit sharing schemes
- 8 profit sharing agreements
- 1 funds from salaries agreement
- 1 early retirement agreement
- 1 time savings scheme
- 2 employee savings scheme
- 1 individual interview for each employee

2.2.3 Training and continuing education of the employees

Priority is given to the training, the know-how and new qualifications with 10 420 hours of training received by the employees in 2008, which represent 3.42 % of the wage bill.

The company has also adopted a training policy, offering students the possibility to be trained partly in an educational institution and partly in the workplace. (12 contracts in progress from "BEP" diploma to "bac + 5" diploma – 2008 figures).

2.2.4 Health and safety of the employees

- A social policy which emphasizes prevention and safety with an accident contribution rate being equal to 1.18 % * and an absenteeism rate lower than 5 % **, of 4.49 % (2008 figures).
** This rate is taking into account all the social security benefits paid during the last 3 years.*
*** This rate is a critical target criteria decided in house not to be exceeded.*
- Each new coming employee visits the workshops with the person in charge of the in-house safety and receives the company safety book enclosing the instructions to be carried out inside the plant, the risky areas, the pictograms regarding dangerous products, the safety protections, the emergency call numbers, the instructions in case of accident...
- Every additive is submitted for approval before being used in the workshops, so that the user or the handler is aware of the safety instructions regarding the product.
- Gesture and position training periods are forecasted this year to reduce the number of accidents.



3. Environment commitments

3.1 Environmentally-friendly products

HEULIEZ BUS takes part in **environmental protection** and design vehicles which more and more preserve the quality of the air and which use materials partly recyclable.

3.1.1 Clean vehicles

- **Diesel:** All the vehicles equipped with diesel engines comply with Euro 4 regulations on pollutant emissions, thanks to the SCR technology (Selective Catalytic Reduction). The SCR technology is the only one that offers the customers a reduction in consumption of about 3 %, both advantageous regarding the operating costs and the environment. The Euro 5 or the E.E.V standard (Enhanced Emission Vehicle) is also available in option on the diesel range, with the addition of a particle filter; the E.E.V label regulatory emission threshold is easily achieved.
- **CNG:** In order to meet the customers requirements who wish to fight against exhaust emissions and noise troubles, HEULIEZ BUS has acquired a specific know-how regarding CNG drivelines and 2 models of the range are powered by CNG engines.
- **Overhead cable vehicles:** HEULIEZ BUS has been asked by its shareholder IRISBUS-IVECO to develop and to deal with the industrialization of a range of trolleybuses and guided transport systems. The company thus developing skills concerning electric drivelines

3.1.2 Protecting the environment and taking part in recycling

All vehicles manufactured in Rorthais have in common stainless steel frames and composite panels.

The use of:

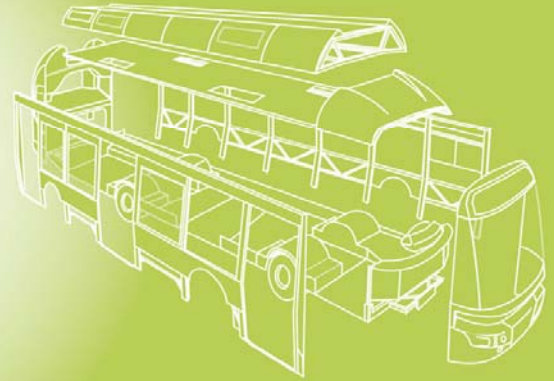
- Stainless steel, material which can be recycled enables to limit the use of solvents.
- Composite panels marking on production line with a standardized labeling allows the sorting and recycling at the end of the lifetime.

3.1.3 Promoting eco-design

In order to consider environment criteria in the design and development of its products, the company, is starting an eco-design awareness approach. First step: Training of the R&D manager's team and the CAO CATIA drawers, some days have been devoted to the eco-design notion during the 1st quarter 2008. Since then, the technicians environmental awareness is weekly increased thanks to an internal policy :



eco - conception*



* **1 kg = 10 litres** de consommation sur la durée de vie de l'autobus (cycle SORT 1)

- Goal: Including eco-design in the development of new models of vehicles, in technical evolutions made on the present range and in the customizations and personalization required by customers.

Examples:

- A modification on the roof structure enabled to obtain a saving of weight of more than 30 kilos for the standard model and more than 40 kilos for the articulated bus.
- Customization also enables to make savings of weight (driver's door: 0.7 Kg, fire extinguisher: 2 Kg, air conditioning : from 6 to 10 Kg depending on the type of vehicle).



3. Environment commitments

3.2 ISO 14001 approach

Since more than ten years, the quality approach is fundamental for our company. After getting the ISO 9002, then ISO 9001 certification, the company is willing today to control the impacts of its activities on the environment and has just obtained the ISO 14001: 2004 certification, which promotes the continuous improvement of the processes, the optimization of the costs and the resources, the valorisation of the company by an organized system, the motivation and the implication of the staff. Within the scope of this approach, **HEULIEZ BUS** shows its responsibility to the environment and how is involved in controlling the impacts of its activities on the environment (in particular production of waste, rejections, harmful effects ...):

- By the improvement of the sorting and storage of waste.
- With modern installations of painting preserving the quality of the air and by adapting the manufacturing processes to reduce the discharges of solvents.
- By a better control of the water use and treatment.

Examples:

- Recycling in the offices with the recovery of flat papers, the batteries, the printer's cartridges...
- Sorting of the plastic packaging in the plant.
- Stop of the rejections of industrial water.
- On November 2008, a new painting box, started up. This new box enables, still complying with the regulation (< 290 g/m² of painted area), to work with new products and use new process of painting (aqueous basis painting).
- First 2009 quarter, works will be undertaken to change the gravel resistant protection made on the chassis and reduce the total rate at 230 g/m².
- A study is engaged for a new shower to check vehicles watertightness enabling to save 4 000 m³ of water/year thanks to a water recycling and a rainwater recovery system. Beginning of works: last 2009 quarter.
- A new building for the storage of waste to encourage and improve our recycling rate.
- Use of FSC (Forest Stewardship Council) papers and vegetable inks to print our brochures and leaflets.
- The memos are sent by E-mail to reduce the number of copies.
- First 2009, start-up of a SPRINT system in order to:
 - *reduce the number of printers,
 - *reduce the number of printing papers by using double-sided printing,
 - *use ecological materials.

3.3 Suppliers selection

For many years, the purchasing department has been singling out suppliers with an officially approved quality organization (ISO 9001, ISO TS...).

Today, an inventory of the actions in favour of the environment undertaken by the HEULIEZ BUS suppliers is made (ISO 14001 certification, wastes recycling, chemicals management...); these signs of commitments are selection criteria for the new coming suppliers.

The set up organization and the capacity of the company to control its environmental impact have just been certified ISO 14001, that is why the chosen suppliers are being asked to work towards the same aims.



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