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## Introduction

Vanderbilt International was founded in 2015, and it is a global provider of security systems, operating efficiently in ninety-five countries. Vanderbilt International currently employs 209 people worldwide.

Vanderbilt designs, manufactures, and distributes systems that safeguard environments and organizations of all sizes. Agility, adaptability, and dependability are distinctive marks of the Vanderbilt brand. These decisive traits satisfy various of customers' application needs across banking, education, healthcare, retail, and more. Our product lines include access control, intrusion, and video.

Vanderbilt wants to contribute to a sustainable future by putting actions that focus on reducing environmental impacts in their supply chain, development, occupational health, and administration.

Corporate responsibility, including Sustainability efforts, lies within the remit of the President. Risk analysis and the actions taken to address these risks are owned by Vanderbilt's Executive Committee who frequently review this.

Our company values are driven by forward-thinking and continuous evaluation of markets and trends to meet our customer's expectation and provide the best-in-class products to secure our customers' most valuable assets.

To learn more, please visit [www.vanderbiltindustries.com](http://www.vanderbiltindustries.com), or follow us on [Twitter](#), [Facebook](#) and [LinkedIn](#).

## 2021 Sustainability Overview

In 2021, Vanderbilt engaged EcoVadis to formally audit and benchmark our sustainability management and performance. This was the first year that Vanderbilt had undergone a formal CSR evaluation.

We are delighted to report that Vanderbilt was awarded a bronze medal for its Corporate Social Responsibility performance. EcoVadis audits companies against international sustainability standards such as the United Nations Global Compact, the International Labor Organization, Global Reporting Initiative, and the ISO 26000 Social Responsibility standard. The audit spans domains such as sustainable procurement, ethics, labor and human rights, and the environment.

The EcoVadis medal has helped to raise awareness across our sites and amongst our customers on what Vanderbilt is doing to become a more sustainable company. We will continue to engage EcoVadis for CSR support and auditing services in 2022.

## 2021 Highlights

- EcoVadis Bronze medal 2021 in our first sustainability audit on the company. Vanderbilt was placed
  - in the top 16<sup>th</sup> percentile for Sustainable Procurement
  - in the top 27<sup>th</sup> percentile for company Ethics.
- We halved our airline carbon footprint
- We deployed a Supplier Code of Conduct
- We applied carbon offsetting to our DHL shipments
- We updated deployed several labor policies to cover Respect & Dignity, Grievances, Whistleblowing, and Equal Opportunities.
- An electric vehicle charger was installed at our Dublin site. This was based on employees' feedback on their current electric vehicle usage, or their plans to acquire one.
- Successfully launched &Frankly quarterly employee engagement surveys
- Donated approximately fifty tons of obsolete equipment to a recycling charity partner
- We applied ISO 26000 as a reference document that provides guidance for the implementation of socially responsible behaviour in our Company Code of Conduct

## Charity Support

- **Aktion Deutschland Hilft ([www.aktion-deutschland-hilft.de](http://www.aktion-deutschland-hilft.de))**
  - Vanderbilt matched employees' donations to Aktion Deutschland Hilft.
  - We donated €2,500 to support ADH with their emergency aid efforts to those who lost their homes in the German flood disaster of July 2021.
- **Rehab Recycle ([www.rehabrecycle.ie](http://www.rehabrecycle.ie))**
  - We partnered with Rehab Recycle in October 2021 to recycle obsolete equipment
  - Rehab Recycle is Ireland's largest NGO employer of people with disabilities.
  - Rehab Recycle take a "nothing wasted" approach and ensures no donations go to landfill. They repurpose donated equipment for schools and community groups across Ireland.
  - They are certified for ISO management standards 9001 (Quality), 14001 (Environment), and 45001 (Occupational Health and Safety). They also comply with WEEE and GDPR.

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## Continuous Improvement Actions for 2022

Under the umbrella of our digital transformation drive and our EcoVadis audit action plan, our next milestone is to digitize our sustainability reporting in 2022 and develop a centralized reporting solution.

In light of our parent company's acquisition of Time Data Security Ltd. (TDS) in 2021, we anticipate an expanded reporting scope from 2023. Therefore, we have to deploy a scalable technical solution for our sustainability reporting and align the companies' processes and sustainability KPIs. This is work-in-progress with our IT & Quality teams.

This will enable us to develop a centralized data baseline. As the TDS integration project is a transition period within the broader scope of our 5-year Full Potential Plan, we will align and apply revised sustainability KPIs upon the completed review of TDS' sustainability metrics.

## Ethics

### Anti-Bribery & Corruption

We have a zero-tolerance policy against bribery and corruption. In 2021, we published a Whistleblowing policy, which empowers staff to voice any concerns anonymously without fear of repercussion. This policy is also cross-referenced with our corporate Code of Conduct and our mandatory employee onboarding trainings.

To prevent corrupt payments or practices by, or to, potential suppliers or third parties, several policies and standards have been put in place.

- Anti-bribery training is a mandatory part of our employee onboarding program. This is monitored and tracked closely by our Human Resources department.
- We have a "four-eyes" based financial approval procedure, and our internal auditing team spot-check across processes and departments.
  - This has been partially digitalized, depending on the process. We will continue to optimize and digitalize financial approval procedures, thus error-proofing any risk against fraudulent claim, and creating an automated audit trail.
- All employees are required to notify the relevant stakeholders if they are aware of a fraudulent transaction or identify a risk of one.

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## Sustainable Procurement

At Vanderbilt, we require our manufacturers to be ISO 14001 compliant, ensuring their contribution, efforts and compliance towards sustainability and waste reduction.

We track our suppliers' ISO expiry dates internally. We request the latest copies of their ISO certificates for our records.

In addition, our Supply Chain Management team monitor our suppliers for their ongoing REACH, RoHS, and Conflict Minerals policy compliance, to ensure their continued compliance with our Conflict Minerals Policy and Vanderbilt International's Suppliers Code of Conduct.

We uphold our obligations concerning the WEEE Directive. We report our shipments monthly and contribute to recycling costs of electrical/electronic and battery products to each of the relevant European authorities.

To reduce the global environmental footprint, the Supply Chain Management (SCM) and Customer Service teams optimize shipping methods from suppliers and to our distribution network by sending smaller, staggered shipments where it makes sense to do so.

To maintain a sustainable supply chain, we set the following targets with our suppliers:

- All suppliers agree to comply with Vanderbilt's Supplier Code of Conduct. This code was deployed in 2021 and covers:
  - Prohibition of corruption, bribery, bonded labor, and child labor.
  - Responsible mineral sourcing
  - Respect employees' human rights and take responsibility for their health & safety.
  - Environmental protection and pollution reduction.
- Annual supplier completion of our Trusted Supplier Checklist
- Annual supplier completion of our Conflict Minerals Reporting Template
- Annual supplier audits (on-site or remote)
- Ongoing quarterly business reviews with suppliers

## Labor & Human Rights

Vanderbilt strives to secure the right employee to ensure that everyone can make a difference with their blend of skills and experience. Vanderbilt adheres to and follows any applicable local collective agreements with unions.

In 2021, we applied the ISO 26000 standard to integrate socially responsible behaviour into our organization. All employees must read and follow our Code of Conduct.

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## Employee Engagement surveys

Starting from June 2021, Vanderbilt's Human Resources team conduct quarterly surveys with our employees, using *&Frankly*, to compile their feedback on work satisfaction and engagement. These quarterly pulse surveys give the management team 360-degree feedback from all sites and levels, from different perspectives. We currently have a survey engagement rate of ~80%, which we consider a positive metric.

## Employee Recognition

As part of our high-performance value, we deem it important to recognize employees for their achievements. We do this via quarterly town halls and monthly Presidential letters. Any employee can recognize a colleague for their support and achievements. Eight employees were promoted internally in 2021. We are also delighted to celebrate employees' years of service with us: 26 employees were recognized for their service milestones with us.

## Environment

Vanderbilt expects all employees to help and take responsibility for energy use and to conduct business in an environmentally friendly manner. LED lights and motion-sensor lights have been installed, where possible, to reduce the risk of energy waste.

We are actively working to safeguard our environment by reducing pollution, reducing waste, and enforcing regulations that keep our water and air clean. Across all sites, office waste is managed in an environmentally friendly way.

Through our various Continuous Improvement projects, we have successfully digitalized several administrative processes, so that they can become partially or entirely paperless. This has reduced paper waste and yielded hard operational costs such as printer ink, mileage, stationery, and postage. We will continue on this path in 2022, and we will start to include carbon footprint savings as part of our digitalization business cases.

Vanderbilt has the work environment management system (SAM) in place. Vanderbilt has a designated health and safety officer, and each site has a Health & Safety representative. All employees are actively encouraged and given time to partake in first aid courses.

Vanderbilt actively encourages continuous improvements in environmental protection throughout its Supply Chain; this is explicitly expressed within our Supplier Code of Conduct. Energy efficiencies shall be gained wherever we can find them.

## Business travel

Business travel remains a necessary part of how we work. We want to build relationships with our customers and get front-line feedback on how our products are used in the field. As of 2019, our business travel policy requires that airline business travel should add value to our company in a measurable, tangible way (i.e., trade shows, training, workshops).

Our policy to substitute airline travel for online meetings has helped us to reduce our airline carbon footprint by 50.5% between 2020 and 2021 (Fig.1).

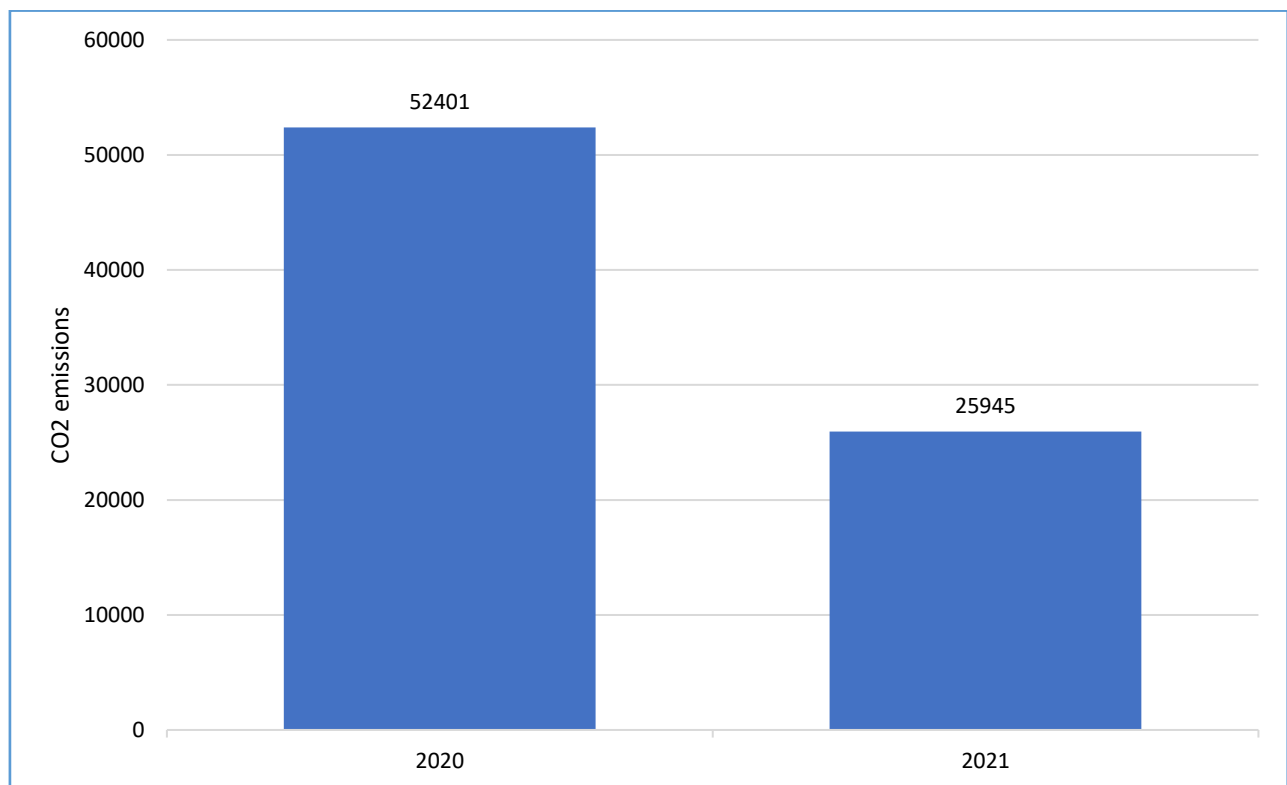


Fig. 1: Source: Rydoo

## Logistics

We offset 3,397.06 kg CO2 emissions in 2021 in partnership with DHL's Go Green Climate Neutral Services.

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## Products and Engineering

Our product managers plan the phase-out of their products well in advance to ensure sale of all components and finished goods to reduce any need for scrap. They collaborate cross-functionally with Supply Chain, Research & Development, Sales, Finance, and Marketing to successfully execute this process.

If there are End-of-Life components or finished goods that can no longer be used or sold, the Product Owner works closely with Supply Chain Management and our suppliers to ensure the proper management of any waste.

### *About the report\_*

*This report has been approved by the President of ACRE International*

*This report is for the financial year end 31<sup>st</sup> December 2021 and covers the entire Vanderbilt Group.*

*It is our determination to continue developing our sustainability agenda and we are motivated to become more able to report on sustainability in an increasingly more structured way. In particular relevant key ratios will be added in subsequent years.*

*If you have any feedback related to this report, please contact the Head of Quality & Process Management (orlaryan@acre-int.com)*