



VEOLIA TRANSPORTATION
Code of Business Conduct



Introduction

This is our Code of Business Conduct. It applies to Veolia Transportation, Inc. and all of its subsidiaries. Its purposes are 1) to ensure that all of us within Veolia Transportation observe applicable laws and regulations that affect our work and 2) to articulate a broader set of ethical standards that can be used as a practical guide in our conduct and decision-making. It is part of an overall ethics and compliance program designed to promote and protect our most important Company values. This Code does not replace what we know instinctively or in the exercise of good judgment to be legal and ethical behavior, but it highlights critical areas of concern for the Company in a world full of challenges to instinct and judgment, and it provides guidance where uncertainty may exist.

It is our absolute legal and moral obligation and a source of great strength for us as a Company that we manage ourselves and our business with the highest degree of honesty, ethics and integrity. As Veolia Environnement's Chairman, Henri Proglio, in "Ethics, Commitment and Responsibility" says: "Conducting our business as true professionals, treating our customers with respect and assuming our responsibilities: all of this simply means doing our job properly." Adherence to this Code of Business Conduct, therefore, is an essential condition of employment at every level of the Company.

This Code of Business Conduct is founded in VE's "Ethics, Commitment and Responsibility" and the Guiding Principles and Values stated there—principles and values shared by all VE companies worldwide. VE's Guiding Principles are more fully detailed at www.veoliaenvironnement.com. First among them is "Strict Respect for the Law" and "Honesty and Integrity." Each set of rules within this Code of Business Conduct originates from one or more of these Guiding Principles. In some instances, the differences in the legal and ethical environment of North America require more clearly drawn lines, and here we have done so. "Ethics, Commitment and Responsibility" and this Code of Business Conduct, therefore, need to be read and understood together. They need to be acknowledged by each of us—not just one time, but on an ongoing basis—so that we constantly renew our commitment to promote and protect these principles and values.



Alan B. Moldawer
Executive V.P. and General Counsel
Veolia Transportation, Inc.



Olivier Brousse
CEO
Veolia Transportation, Inc.

This Code of Business Conduct is a statement of certain fundamental principles and policies that govern employees of Veolia Transportation, Inc. (formerly Connex North America, Inc.) and its subsidiaries, as well as the conduct of third parties with whom we do business. It is not intended to create and does not create any rights in any employee, customer, vendor, subcontractor, competitor, shareholder or any other person or entity. The Company reserves the right to amend, alter, or terminate this Code of Business Conduct at any time.

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Reporting a Suspected Violation

If you know or in good faith suspect that a material violation of the law or this Code of Business Conduct has occurred or is at risk for occurring, you are encouraged to immediately report the suspected violation to the Company.

You can do this in a variety of ways: by contacting your supervisor or other member of management, or, if you are uncomfortable doing so, you may contact the Legal Department directly. Our General Counsel is our Chief Compliance Officer. Any suspected financial irregularities should be reported to the Company's Chief Financial Officer or General Counsel. Above the CFO and General Counsel are our Chief Executive Officer and Board of Directors, who you may also contact.

You may also report a suspected violation to the Company through the Veolia Transportation Ethics & Compliance Hotline at 1-866-850-3033, also available online from our website at www.veoliatransportation.com. This Ethics & Compliance Hotline is available 24/7 and is operated by a third party company—Global Compliance—that specializes in receiving such reports. By using the Ethics & Compliance Hotline, you may choose to remain anonymous. For a matter to be fully and fairly resolved, however, you may be asked to disclose your identity, provide more details, or cooperate in an investigation, although disclosure of your identity is not required. In all instances, reported matters will be treated confidentially to the extent possible in conducting and concluding a proper investigation. Regardless of the outcome of any investigation, you can be assured that no retaliation against you from any source will be tolerated where you have reported a violation or suspected violation in good faith.

Our parent company, Veolia Environnement, has an Ethics Committee as well that can be called upon to act by any employee, or on its own initiative, with regard to any ethical issue within any VE company. It is bound by strict obligations of independence and confidentiality. Employees may contact the Committee by email at ethique.ve@veolia.com or write to the Committee at Ethics Committee, Veolia Environnement, 38 Avenue Kleber, 75799 Paris Cedex 16, France.

Other contact information:

General Counsel
Veolia Transportation, Inc.
2015 Spring Road, Suite 750, Oak Brook, IL 60523
alan.moldawer@veoliatransportation.com

Chief Financial Officer
Veolia Transportation, Inc.
2015 Spring Road, Suite 750, Oak Brook, IL 60523
emmanuel.lenoble@veoliatransportation.com

No Retaliation

We believe that an important part of an effective ethical compliance program is to provide employees the means to report in good faith known or suspected violations of this Code of Business Conduct, the law, or Company policies and procedures, without fear of retaliation from any source.

Therefore, we will not tolerate any action taken in whole or in part in retaliation against anyone who has raised a question or concern in good faith about a violation of this Code of Business Conduct, the law, or any Company policy or procedure.

At the same time, the integrity of the reporting system and the respect we have for one another means that those who act in bad faith and knowingly make a false report will be subject to discipline up to and including termination from employment.

To the extent possible, we will maintain the confidentiality of anyone who reports a suspected violation or participates in the investigation of it.

Sustainable Development

We will honor Veolia Environnement's commitments to the environment and to the well-being of our communities by adhering to its Sustainable Development Charter. VE's Sustainable Development Charter has 10 commitments for future generations:

- 1) To protect the environment, to preserve natural resources, and to encourage biodiversity.
- 2) To establish and deploy an environmental management system enabling objectives to be identified, action plans to be implemented, and progress to be monitored.
- 3) To ensure that our facilities and services comply with relevant regulations, taking account of standards as they develop.
- 4) To go beyond the minimum legal requirements in terms of improving personal health and safety protection.
- 5) To increase our efforts in terms of research, development and innovation, in order to improve our ability to respond to environmental challenges.
- 6) To develop our employees' skills, to encourage them to be autonomous, and to promote corporate innovation.
- 7) To encourage our partners, subcontractors and suppliers to abide by our sustainable development commitments.
- 8) To anticipate the needs and expectations of the public in terms of environmental services.
- 9) To participate in the social development of communities where our facilities are based.
- 10) To promote the commitments made in the UN Global Compact and to work with all stakeholders in facilitating access to essential services and towards the respect of fundamental rights.

Maintaining the lead in Sustainable Development means seeking out and promoting ways to better the environment in which we, our customers, and our fellow citizens work and live, and by participating in the social development of the communities we serve.

Specifically with respect to compliance with environmental laws, we will:

- Educate ourselves and each other on all environmental laws
- Identify and control environmental hazards related to our operations
- Conserve resources and fuel
- Assure compliance through accurate record keeping and accountability on all organizational levels
- Immediately comply with all reporting requirements related to spills and other conditions

Honoring Our Commitments

Promoting and protecting our reputation for meeting the needs of our customers and the communities we serve requires that we honor our contractual and legal obligations to our customers, vendors, subcontractors and all those with whom we contract or do business.

Accordingly, before entering into any contractual relationship, we will undertake a thorough and competent review, and have a good understanding, of the terms and provisions of the contracts and the commitments we make.

We will make no commitment that we are not capable or willing to fully honor, or willfully fail to perform any contract without legal justification.

We will honor these same commitments to our vendors and subcontractors, whose products and services we rely upon for our success.

Fair Competition

The well-being of democratic institutions and the free enterprise system depends upon adherence to the concept of fair competition. Faithful adherence to the principles of honesty and integrity in our dealings with all stakeholders within the communities we serve is paramount.

Consistent with these principles, we will strictly comply with all anti-trust and unfair competition laws and will never enter into any kind of agreement or understanding with a competitor, express or implied, written or unwritten, involving:

- Prices, costs, profits, terms and conditions of our services
- Territories and market share
- Limitations on services
- Customer or supplier allocation or selection
- Any action that affects, limits, or restricts competition

Exceptions are allowed for reasonable restrictive covenants that are part of a bona fide acquisition, sale, or joint venture relationship but only upon approval of the Legal Department and CEO of the Company.

Appearances are important: for this reason we advise that all contacts with competitors, including with former business associates who are working with competitors, be strictly limited. Private meetings with a competitor should not be held without first advising senior management and contacting the Legal Department. In addition, the Company does not participate in any trade associations, national or local, without first securing formal approval from senior management and the Legal Department.

We need to know our competitors and marketplace, but we will not receive or use the confidential or proprietary information of a competitor or vendor unless we know the competitor or vendor intends for us to receive or use it.

Fair competition means that we will not disparage our competitors. While statements about our competitors based upon published or known facts and made for the purpose of fairly distinguishing our Company from our competitors are sometimes appropriate, any such statements should first be discussed with and approved by senior management.

Our Financial Integrity

We adhere to the Veolia Environnement Financial Code of Ethics regarding integrity, diligence and oversight of financial communications.

We will always be honest in our records and reports of financial information. All financial books, records, reports and accounts will conform to accepted accounting principles and will fully and accurately state what they purport to show. We will not record entries that knowingly conceal or disguise the true nature of a transaction.

Each and every employee will properly record and report all required material information with respect to his or her employment and areas of responsibility.

Any submission to a third party of a proposal, offer, or other document that is false, incomplete, or misleading is prohibited, because it is wrong and because it can result in civil and/or criminal liability for our Company, the involved employee, and the supervisors who permitted such practices.

We will not tolerate the crossing of these lines by others. Any suspected or known violation will be immediately reported to supervisory personnel and/or the Finance or Legal Department, or other reporting means available.

Conflicts of Interest

Honesty and integrity are the highest principles we can adhere to in our business. Our success is dependent upon the public's continued trust and confidence in us as well as the examples we set for each other. Any potential or actual conflict of interest must be avoided whenever possible, including, without limitation:

- Prices, costs, profits, terms and conditions of our services
- Accepting or giving any gift or gratuity that might impair or give the appearance of impairing an employee's independent judgment in the performance of his or her job responsibilities, or that violates Company policies and procedures
- Having a position with or investment (greater than 1% in a publicly-traded company) in a competing business
- Having any outside activity or relationship that impairs an employee's independent judgment or hinders giving full time and attention to his or her job

It is not possible to enumerate all situations that constitute a conflict of interest; the facts of each case will determine whether there is an actual or potential conflict. A potential conflict of interest arises in any situation in which an employee has a personal interest that influences or appears to influence the employee's judgment or action in conducting the Company's business. This may put an employee's objectivity in doubt when working with suppliers, competitors, government officials, or customers.

The concept of "corporate opportunity" means that no employee may appropriate or divert to any other person or entity a business or financial opportunity that the employee learns of or develops in the course of employment and knows or should know the Company might want to pursue.

No employee (or member of his or her family) may directly or indirectly have any business relationship with the Company, Veolia Environnement, or any of its subsidiaries or affiliates, without the prior written approval of the Company CEO and Legal Department.

Maintaining Confidentiality

Maintaining the confidentiality of the information and exchanges of the Company and its business partners is one of the Guiding Principles of Veolia Environnement.

We will be careful to protect the Company's confidential proprietary and trade secret information from unauthorized disclosure, including, without limitation:

- Operating results, pricing, costs, other financial data
- Strategic business plans and marketing strategies
- Client lists
- Personnel and medical records
- Company-developed software
- Information regarding acquisitions and divestitures
- Processes and methods

In the same manner, we will maintain the confidentiality of information belonging to any employee, client, vendor, competitor or other third party received by us with the express or implied understanding of confidentiality, or that became known to us by reason of prior employment with another Company.

At some of the Company's operations, we may have to deal with medical patient information. We will not use or disclose confidential patient information that would violate the patient's privacy under applicable laws and regulations.

We will immediately report any suspected crossing of these lines to supervisory personnel or the Legal Department.

Compliance with Employment Laws

The people with whom we work every day are the most important part of our business. VE Guiding Principles recognize the responsibility that we, as individuals and as a Company, have toward the well-being of our fellow employees.

We will maintain a workplace environment that respects the dignity of every employee and that is free of unlawful discrimination and harassment.

We will not engage in, or allow a workplace atmosphere tolerant of:

- Unlawful discrimination or harassment based upon race, color, sex, religion, age, national origin, marital, parental or family status, sexual orientation, veteran status, pregnancy, disability or any other legally protected status
- Sexual advances or inappropriate behavior (including jokes, comments or other offensive behavior) which could be labeled sexual harassment or creating a hostile workplace environment

We will educate ourselves, train each other, and honor both the letter and spirit of all laws and Company policies pertaining to discrimination and harassment in the workplace.

We will immediately report any suspected crossing of these lines to supervisory personnel, the Human Resources Department or the Legal Department.

Employee Health and Safety

Consistent with our commitment to the health and well-being of our fellow employees, we will:

- Strive to provide all employees with working conditions that protect their health and safety, both physical and emotional
- Educate ourselves and train others on Company health and safety procedures and will strictly comply with them
- Identify and implement the best health and safety practices and procedures
- Never operate vehicles or equipment we know pose a health or safety risk for ourselves or other employees
- Not engage in or tolerate violence or threats of violence in the workplace at any time
- Hire only subcontractors and use only vendors who share our commitment to health and safety in the workplace
- Immediately report any suspected threat to the health and well-being of any one or more employees

Illegal drugs, inappropriate use of legal drugs, and alcohol have no place in the workplace. We will not tolerate their use, consistent with Company drug and alcohol-free workplace rules.

Drug and Alcohol-Free Workplace

The importance of maintaining a Drug and Alcohol-Free Workplace for the health and safety of our employees, customers, passengers and the citizens of the communities we serve justifies the special attention we give it here in our Code of Conduct.

Company policies and procedures, and, where applicable, federal and state laws, prescribing a drug and alcohol-free workplace, must be fully respected and obeyed. We will not tolerate the use of alcohol or illegal drugs in the workplace. Likewise, we will not tolerate the inappropriate use of legal drugs in the workplace.

We will immediately report to supervisory personnel any suspected violations of the law or Company policies or procedures.

Company Property

Company property includes all tangible items and intangible items such as electronic systems in the workplace, including but not limited to vehicles, equipment, facilities, computers, computer software, copy machines, faxes, email, electronic data files, telephones, cell phones, wireless devices, stationery, supplies, postage, etc.

Company property may only be used for legitimate Company purposes. We will not use Company property for personal benefit, except in limited circumstances that are approved and documented in advance by a responsible supervisor. Use of Company telephones and email for non-Company purposes will be kept to a minimum consistent with Company policies.

We will take all appropriate measures to preserve and protect Company property from misappropriation and waste.

Because it is Company property, we have no expectation of privacy in its use, including the use of email, telephones and electronic communications and media. The Company reserves the right to inspect Company property whenever and wherever it is used or located.

Others with Whom We Do Business

Adherence to VE's Guiding Principles of Honesty and Integrity also applies to our relationships with our business partners: our customers, vendors and subcontractors.

We must always be honest and fair in our dealings with others with whom we do business, honoring our contractual obligations to them and respecting the contributions they make to our success and their right to make a fair profit. This obligation includes treating them professionally, respectfully and courteously. All information provided to us by a vendor or subcontractor must be considered confidential in respect to their competitors unless otherwise stipulated, and protected to the same extent as we would protect our equivalent information.

Care should be taken in selecting the individuals and businesses with whom we do business. We will select vendors and subcontractors who provide the best value to the Company, but their reputations for honesty and integrity reflect upon us. We will not do business with customers, vendors or subcontractors who do not strictly comply with the law or whose business conduct does not conform to the standards of ethical conduct we expect of ourselves. We will not knowingly allow anyone working with us or for us to violate any laws or standards of ethical conduct.

Third parties with whom we do business must adhere to universally recognized fair business and labor practices, comply with health and safety workplace standards for their employees, and strictly comply with environmental laws and regulations. In terms of sustainable development, it is important that our business partners contribute to VE's initiatives, in particular by reducing energy consumption, water, air and soil pollution, and waste in the production of their work.

We do not accept personal benefits of any kind from a vendor or subcontractor or allow anyone else to do so on our behalf. We may offer to or receive entertainment from a customer, vendor or subcontractor provided it is done for the purpose of developing or reinforcing a business relationship, but only with a reasonable rate of frequency and within modest boundaries. We do not give or receive extravagant invitations unless they are part of a promotional event open to others and then only after consultation with senior management or the Legal Department.

All permitted purchases of goods and service by the Company from a former employee must be performed under conditions equivalent to those of the market. Approval from a supervisor must be obtained for any transaction planned with an employee about to leave the Company or who has left the company within the past five years, or with a Company in which the employee in question has direct or indirect interests.

Retaining Intermediaries (Consultants, Lobbyists)

There are good reasons to retain and use the services of intermediaries, brokers, lobbyists, agents, lawyers and others (collectively, "consultants"). However, it is essential that we exercise sound caution and discretion whenever we retain the services of such consultants.

We will strictly follow VE and Company policies and procedures respecting the retention of such consultants.

Any and all compensation paid to such a consultant must be consistent with the value of the services actually rendered.

No "success fee", "contingency fee" or remuneration of any kind contingent on success in obtaining a contract or other business can be paid to a consultant without the prior written approval of both the Legal Department and VE in Paris. In many jurisdictions, such fees are illegal and a violation can carry both civil and criminal penalties.

We will require "transparency" in all compensation arrangements with our insurers, surety providers and brokers.

We will not tolerate any consultant engaging in activities which we know or suspect are illegal or unethical.

Legal Department approval is required before hiring or using any consultant on any fee basis.

Unlawful Payments

We will not participate in offering, giving, receiving, or arranging for a bribe, kickback or promise of any future benefit, nor use procedures that might conceal or cover up bribery, kickbacks, or any other illegal or improper payments, regardless of the state or country we are operating in. The U.S. Foreign Corrupt Practices Act and the OECD Convention on Combating Bribery or Foreign Public Officials in International Business Transactions prohibit companies from such unethical practices wherever they are conducted.

We will not use third parties to facilitate such payments nor allow third parties to act unethically on our behalf.

All payments made by the Company to any third party must be in exchange for fair value in goods or services and for a real and legitimate business purpose. Honesty, integrity and fairness must govern all business dealings.

All transactions must be documented fully in accordance with Company-established bookkeeping practices and established accounting practices. No transactions on behalf of the Company will be permitted that are not properly recorded and disclosed.

Political Contributions and Activities

As a corporation, we are prohibited by federal law from making contributions to any federal election campaign.

As a U.S. subsidiary of a foreign company, we are prohibited from making any contributions, directly or indirectly, to any state or local candidate, party or organization that supports a candidate, unless certain criteria are strictly met and Company procedures required by law are strictly followed. Foreign nationals are prohibited all together from conducting political campaign activities. There are also individual and aggregate limits under state and local laws on the amounts of lawful contributions. Violations of these laws have serious criminal penalties.

We will not conduct any political campaign activities on Company time or use any Company funds or other resources, such as Company telephones, fax and copy machines, and meeting rooms, for such purposes except as approved in writing in advance by the Legal Department in accordance with established Company policies and the law.

It is impermissible for any representative of the Company to (a) request or pressure an employee or any third party to make a political contribution on behalf of the Company or the requesting person, (b) promise to reimburse another employee for his or her political contribution, (c) utilize third parties to make political contributions that would be unlawful for the Company, the employee, agent, consultant, or representative to make directly, or (d) have his/her political contribution reimbursed by the Company, another employee, or any third party.

Contact the Legal Department for instructions before making or promising any contributions on the state or local level.

We will make clear that any individual political views we express are our own and not the views of the Company.

Insider Information and Trading

Use of material, non-public (“insider”) information about the Company, Veolia Environnement, or any of their subsidiaries or affiliates (or any unrelated company) for the financial benefit of an employee or other person is unethical and illegal and can subject the employee, other person, or anyone aiding and abetting such conduct, to criminal and civil liability. Therefore, we will not engage or tolerate anyone else engaging in such unlawful conduct.

We will not trade in or permit anyone else who has received insider information to trade in the stock of Veolia Environnement (“Company stock”) until after the insider information has been made public. If there is any doubt about whether the information we possess is material or whether it has yet been disclosed to the public, we will not trade in Company stock.

We will take all appropriate measures to ensure that material, non-public information is released only to those employees or others who have a legitimate right and need to know.

We will immediately report any known or suspected crossing of these lines to supervisory personnel, or the Finance or Legal Department.

Questions?

Good ethical decision-making is a process that frequently challenges all of us in our daily lives and business. Some decisions are easy and some are not. If you have a question about the right thing to do or a decision to make raising ethical considerations, and answers cannot be found within this Code of Business Conduct, you are encouraged to discuss and even debate them among your fellow employees. Inviting alternative views and entering into dialogue with others is a learning activity that can increase knowledge and awareness of the risks involved in the decisions we make. Asking questions and speaking up on important ethics and compliance issues are essential duties we have to ourselves, each other and our Company.

Where questions may be too sensitive for open discussion, you are encouraged to speak with your supervisor, manager, human resources representative, or anyone within the executive group of the Company. Or, if you would prefer, you may contact Veolia Transportation's General Counsel, who serves as the Company's Chief Compliance Officer. He or she will treat your question in confidence, if requested, and will try to help resolve it. Lastly, employees may contact the VE Ethics Committee at VE headquarters in Paris, France, by email at ethique.ve@veolia.com or by writing to the Committee at "Ethics Committee, Veolia Environnement, 38 Avenue Kleber, 75799 Paris Cedex 16, France."

A Special Message to Senior Management

Responsibility for oversight of the Company's legal and ethical compliance programs rests with senior management.

Senior management has three (3) key obligations in this respect:

- making sure that the Company has adequate resources dedicated to compliance programs
- implementing and maintaining effective compliance programs
- periodically reporting to the Board of Directors about the Company's compliance activities

Meeting these obligations requires:

- a personal commitment and constant vigilance
- due care in identifying and reporting risks and violations
- employing a decision-making process that encourages alternative viewpoints
- inviting bad news as well as good
- managing an environment that does not tolerate retaliation
- creating accountability and fairly punishing wrongdoing
- recognizing and rewarding ethical behavior

It is senior management's responsibility to uphold standards, set examples of behavior, and foster a climate of legal and ethical compliance. Embracing the Guiding Principles of Veolia Environnement and the core values of the Company is critical to good decision-making and an effective legal and ethical compliance program.

