

Standards of Business Conduct

for Thelo DB
Business Partners

Preamble

The following principles complement and should be understood in combination with and addition to the Thelo DB Business Partner Code of Conduct. Both documents serve to provide clarity on Thelo DB's expectations for its Business Partners.

We seek to work with Business Partners who share our ambition and commitment to sustainability, and who agree to work with us in a transparent way. Our Business Partners agree and comply with the principles set out in these Standards of Business Conduct, both within their own organizations worldwide as well as to implement them in their supply chains. Our Business Partners carry out their business activities in compliance with all relevant national and international laws on topics such as but not limited to human rights, environmental protection, and working conditions. Where national law makes it impossible to fully comply with these requirements, our business partners take measures to proactively protect disadvantaged groups as far as possible without violating local law.

"Business Partner" refers to all non-DB Group entities that supply goods and services

Observance of Human Rights

Thelo DB has committed itself to contributing to the United Nations (UN) Sustainable Development Goals. We aspire to uphold the guidance and principles of the International Labour Organization (ILO) Core Conventions, the United Nations Guiding Principles for Business and Human Rights (UNGP) and the Organization for Economic Co-Operation and Development (OECD) Guidelines for Multi-National Enterprises.

Our Partners respect commonly accepted human rights, especially those contained within the Universal Declaration on Human Rights (UDHR), the International Covenant on Civil and Political Rights (ICCPR), and the International Covenant on Environmental, Social, and Cultural Rights (ICESCR).

Humane Treatment

Our Business Partners shall commit themselves to providing a working environment where all employees working within its facilities are treated with respect, dignity, and are safe from abuse, harassment, or bullying of any kind (e.g. physical, verbal, mental, sexual).

Ban on Child Labour

Our Business Partners shall not employ children under the age of 15 or under the age for completion of compulsory education, whichever is higher. Juvenile workers (aged 15-17) shall not perform work which constitutes the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances or the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs or by its nature or the circumstances in which it is carried out is likely to compromise their health, safety, development or morals (ILO Conventions 138 and 182).

Prohibition of Forced Labour & Modern Slavery

All forms of forced labour, slavery, torture and inhuman and degrading treatment are prohibited, including corporal or psychological punishment, or other forms of domination in the workplace (ILO Conventions 29, 100 and 105). Employment must be chosen freely by our Business Partners' employees and may be terminated at their own discretion. Our Business Partners' employees shall be offered all benefits to which they are legally entitled.

Non-Discrimination

Any form of discrimination is prohibited. Our Business Partners do not tolerate discrimination in the employment or occupation of employees and staff, e.g. based on nationality, color, origin, ethnicity and social background, health status, disability, sexual orientation, gender, age, political opinion, membership in a trade union, religion, or belief (ILO Conventions 100 and 111).

Freedom of Association and the Right to Collective Bargaining

Our Business Partners shall freely allow engagement in lawful trade union activity without fear of discrimination or retaliation (ILO Conventions 87 and 98) and will not use or hire private or public security forces to impair any aspect of the right to organize and freedom of association.

Occupational Health and Safety

Our Business Partners shall provide a safe and healthy working environment in compliance with at least the standards contained in these Standards of Business Conduct and local law where it is more stringent, as well as in ensuring the safety of their products and services. This includes but is not limited to well-maintained workspaces and equipment, appropriate protective measures, safety-related training, methods to mitigate potential risks on a regular basis and measures to prevent excessive mental and physical fatigue. Appropriate occupational health and safety measures may also involve, e.g. implementation of an Occupational Health and Safety management system based on the principles of ISO 45001 (or similar standard) with continuous improvement of health and safety performance.

Employment Relationships

Our Business Partners comply with the applicable national and international laws and relevant industry standards regarding the classification and treatment of employment relationships (e.g. employees, subcontractors, independent contractors, etc.).

Payment

Our Business Partners remunerate their staff adequately and in accordance with applicable laws, industry standard, and the regulations of the place of employment. Compensation corresponds at the very least to the legally valid and guaranteed minimum wage and must in any case be appropriate. Equal pay is offered for equal work without discrimination.

Risk Management

To ensure resilient operations, whereby protecting human life and the environment, our Business Partners shall develop and maintain processes to manage incidents / potential crisis, continuously identify and assess process risks, and develop / test / optimize controls and plans to mitigate impacts of such risk(s).

Environmental Protection, Generally

Our Business Partners comply with applicable environmental laws and regulations. They take effective measures for environmental protection (particularly related to resource efficiency and emission reduction) and are compliant with applicable national and international standards – especially the Minamata Convention on Mercury, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, and the Stockholm Convention on Persistent Organic Pollutants. Appropriate environmental protection may include e.g. implementation of an Environmental Management System based on the principles of ISO 14001 (or similar standard) and continuous improvement of environmental performance accordingly.

As a matter of principle, our Business Partners make best efforts to reduce (potentially) adverse impacts on the environment to a level which is as low as is reasonably practicable.

Environmental Impacts on Human Rights

Our Business Partners must ensure their operations cause no harmful soil change, water pollution, air pollution, harmful noise emission or excessive water consumption that:

- significantly impairs the natural bases for the preservation and production of food;
- denies a person access to safe and clean drinking water;
- makes it difficult for a person to access sanitary facilities or destroys them or;
- harms the health of a person.

Unlawful Eviction or Taking of Land

Our Business Partners must ensure that their operations do not result in unlawful eviction or the unlawful taking of land, forests, and waters in pursuit of their acquisition or development or other use of land, forests, and waters. This must be especially ensured where these actions impact the livelihood of a person.

Unlawful Use of Security Forces

Our Business Partners shall instruct and control any private or public security forces used for the protection of their projects in a way that ensures the use of such forces does not result in unlawful damage to life or limb, or could otherwise be considered by internationally recognized standards (e.g. UN Convention Against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment) to be torture or cruel, inhumane, or degrading treatment.

Corruption

Our Business Partners do not tolerate any form of corruption or economic crime by their own employees, in their supply chain, or by their Business Partners. Facilitation payments are prohibited.

Compliance, Audits

Our Business Partners shall ensure these principles are complied with, both internally and within their supply chain.

Thelo DB may engage itself or by independent third parties in monitoring activities to confirm and observe the adherence to these principles, including the use of questionnaires conducted internally or by third parties, on-site assessments of facilities in case of concrete suspicion of infringement, review of available information or other measures necessary to review a Business Partner's performance. Business Partners are expected to cooperate and share information with Thelo DB as required to confirm compliance, and in a format that is understandable and usable by Thelo DB. Thelo DB will conduct such activities in line with applicable law and take into account confidentiality interests of the Business Partners.

Complaint Mechanism

Thelo DB has an available complaints system which can be publicly accessed through the DB Group website: www.deutschebahn.com/whistleblowing.

Thelo DB management acts, when appropriate, upon this feedback and handles it confidentially to the extent possible. If necessary, persons submitting a report shall have support during the process (e.g. through a third-party representative or appropriate translator).

Consequences

Thelo DB emphasizes cooperative business dealing with its Business Partners. For minor violations or potential violations of this Standard of Business Conduct a Business Partner is therefore generally given the possibility to implement appropriate corrective actions within a reasonable time if the Business partner is principally willing to remedy the violation and improve.

For serious violations (particularly in the case of crimes committed), Thelo DB reserves the right for adequate sanctions against the respective Business Partner. This can also lead to an immediate termination of the business relationship and the assertion of claims for damages and other rights.

Thelo DB may disqualify any potential Business Partner or terminate any relationship with a current Business Partner that has failed to conform to this Standard of Business Conduct, but generally will not seek termination of the business relationship as first recourse.

Updates

These Standards of Business Conduct will be reviewed at least annually and ad-hoc as required, e.g. after significant changes in the business landscape.

The Thelo DB Business Partner Code of Conduct is available on the Thelo DB website,
www.thelodb.com.