



**DB Engineering & Consulting's
policy statement on
protecting and respecting
human rights**

Foreword

At DB Engineering & Consulting GmbH, a subsidiary of Deutsche Bahn, we consider sustainability to be a central principle of our business activities, firmly anchored in our Group's Strong Rail strategy. We follow an integrated approach that encompasses the environmental, social, and economic dimensions of sustainability.

As a member of the United Nations Global Compact (UNGC), Deutsche Bahn has pledged to uphold the principles of the UNGC and is clearly committed to the United Nations Universal Declaration of Human Rights. For us, this means taking a stand and safeguarding human rights as well as maintaining high environmental and social standards. It results in a strong and clear commitment to social responsibility by the Managing Directors and employees of DB Engineering & Consulting.

As an organization operating worldwide in the rail infrastructure sector with over 6,000 employees from around 100 nations, we are aware of our responsibility within our supply chains. Wherever we operate, ensuring responsible and sustainable value generation along our supply chain – is therefore of critical importance to us. Forming the basis of reliable and sustainable collaborations, we expect our suppliers and other business partners to treat people and the environment with respect.

For us, economic success and socially responsible behaviour is not a contradiction in terms, but mutually dependent on each other. This is of particular importance when working with our business partners. Successful, sustainable, and responsible corporate management can only be based on respect for people and our planet.




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I. Our commitment to sustainable and responsible corporate governance

As one of the world's leading engineering and consulting firms we are creating the world of tomorrow. We design and implement tailor-made rail transport and mobility concepts that address and respond to the challenges of our time.

In Germany, in addition to our headquarter in Berlin, we are present at more than 60 sites; internationally, we are present on every continent through subsidiaries, branch offices and project sites in more than 30 countries.

DB Engineering & Consulting is part of DB E.C.O. Group. The Group combines engineering, consulting, and operator services in Germany and abroad. It links the expertise in integrated rail systems with digital technologies. As a driver of DB Group's Strong Rail strategy our goal is to shift more traffic to climate-friendly rail transport. At the same time, as a globally operating group, we are aware of our increased social and environmental responsibility, with that, ensuring responsible and sustainable value creation along our supply chains is one of our most important concerns.

With the adoption of the Act on Corporate Due Diligence Obligations in Supply Chains (*Lieferkettensorgfaltspflichtengesetz*, „LkSG“)¹, a framework for this aim has been established by German legislation. In recognition of the crucial role companies play in promoting human rights, environmental protection and sustainability in global supply chains, companies above a certain size are legally obliged to implement human rights and environmental due diligence obligations in their supply chains in an appropriate manner, establishing responsible management of their supply chains. Within supply chains,

the aim is to improve the protection of human rights and the environment, to strengthen social and corporate responsibility and to establish enforcement mechanisms.

In summer 2024, the European Union adopted an EU-wide “Supply Chain Directive”, the Corporate Sustainability Due Diligence Directive (CSDDD)². The CSDDD obliges large European and foreign companies operating in the EU to ensure compliance with certain environmental and human rights standards in their supply and value chains. The CSDDD is conceptually based on the LkSG, but also differs from it, particularly in the environmental area.

This policy statement expresses our commitment and dedication to respecting human rights and the environment:

- We are committed to **sustainable and responsible corporate governance**.
- We describe the **procedures** we use to implement our due diligence obligations pursuant to the LkSG.³
- We address the **human rights and environmental topics** that are particularly relevant in the context of our business activities and that we have identified as priorities based on our risk analysis.
- We define the **expectations** we have of ourselves and of our suppliers and other business partners to ensure compliance with human rights and environmental obligations.

¹German Act on Corporate Due Diligence in Supply Chains of July 16, 2021 (Federal Law Gazette I, p. 2959).

²Directive (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence and amending Directive (EU) 2019/1937 and Regulation (EU) 2023/2859.

³Description of the procedure by which we fulfill our obligations under Section 4 (1), Section 5 (1), Section 6 (3) to (5) and Sections 7 to 10 LkSG.

In addition to DB Engineering & Consulting GmbH, further DB Group companies have obligations under the LkSG, including the parent company Deutsche Bahn AG. The policy statements of these DB subsidiaries are published on the companies' websites. While Deutsche Bahn AG's policy statement sets out the Group-wide human rights strategy and outlines an overarching risk profile for the DB Group as a whole, the policy statement of DB Engineering & Consulting differs particularly in that it reflects the specific risk situation of the subsidiary.

We have made sustainability an essential part of our business operations and it is a central component in our strategy. In order to achieve and maintain sustainable and responsible value creation in our own business activities and including within our supply chain, we are committed to upholding and promoting internationally recognized human rights, to respecting labour standards and to protecting the environment as part of our business activities. In addition, we strive to make a positive contribution to the protection and promotion of human and environmental rights through our actions.

We comply with applicable law in the conduct of our business activities. This includes compliance with the LkSG. In particular, our business activities are based on the following internationally recognized human rights and environmental standards:

- the **International Bill of Human Rights**, consisting of the United Nations Universal Declaration of Human Rights (UDHR), the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR),
- the **UN Guiding Principles on Business and Human Rights** (UNGPR),
- the **core labour standards of the International Labour Organization** (ILO) on fundamental rights and obligations at work,
- the ten principles of the **UN Global Compact** (UNGC),
- the **Guidelines for Multinational Enterprises** of the Organization for Economic Cooperation and Development (OECD).

We pursue an integrated sustainability strategy based on the two pillars of Green Transformation and social responsibility. To meet our environmental responsibility, we take a safeguarding approach to environmental protection that goes beyond compliance with applicable environmental law and that is driving forward Deutsche Bahn's Green Transformation in the four environmental action fields of climate protection, nature conservation, resource protection and noise reduction. Within the framework of social responsibility, four guiding principles shape the basis for our actions: our responsibility for strengthening community, our commitment to social engagement, the promoting of diversity and taking responsibility for our history. In this way, we contribute to leaving future generations a planet worth inhabiting.

II. Our measures to implement our due diligence obligations

We continuously measure our business activities against the requirements of the LkSG. We put in place appropriate and effective risk management instruments, implementing targeted measures that fulfil our due diligence responsibility. We understand dealing with human rights and environmental risks as an ongoing process that we are gradually embedding in our operational structures.

1. Risk analysis

At the heart of our risk management is a comprehensive and systematic risk analysis in which we identify and assess the potential and actual risks of our business activities for people and the environment. As part of our annual risk analysis, we especially consider the following risk areas, both for our own business area and for our direct suppliers:

- Violation of the prohibition of **child labour**
- Violation of the prohibition of **forced labour** and all forms of **slavery**
- Disregard for **occupational health and safety** and **work-related health hazards**
- Disregard for the **freedom to form coalitions**, the **freedom of association** and the **right to collective bargaining**
- Violation of the prohibition of **unequal treatment in employment**
- Withholding of an **adequate wage**
- Destruction of the natural basis of life through **environmental pollution**

- Illegal violation of **land rights**
- Commissioning or use of private/public **security forces** without appropriate instruction and control
- Prohibited production, use and/or disposal of **mercury** (Minamata Convention)
- Prohibited production and/or use of substances within the scope of the Stockholm Convention on Persistent Organic Pollutants (**POPs**) and non-environmentally sound handling of waste containing POPs
- Prohibited import/export of **hazardous waste** as defined by the Basel Convention

Our annual risk analysis is structured in two stages and begins with an abstract risk analysis covering the above-mentioned risk areas. We use the risk data of an external, specialized provider to continuously identify country- and industry-specific risks in our own business area and those of direct suppliers. Country and industry risks are assessed using a comprehensive number of indicators (based on the risk database of the German Federal Office for Economic Affairs and Export Control) as well as publicly available reports and media sources.

The results of the abstract risk analysis are then validated, enabling us to make an initial assessment of the existing risk profiles in our own business area and those of our direct suppliers.

We use a risk-based approach to determine which divisions and suppliers are examined in depth. Wherever our abstract risk analysis reveals increased gross risks, we subject the respective divisions (own business areas) and relevant direct suppliers to a more detailed investigation. The aim of this specific risk analysis is to precisely identify the actual risk of violations of human and environmental rights.

We apply risk-based questionnaires for the identification of actual risks and/or existing risk-mitigating measures and also consider sustainability performance assessments/ratings of our suppliers. Once the specific risk analysis has been completed, the identified risks together with their probability of a violation occurring are prioritized based on the severity of the risks, the ability to influence them and the contribution to causation. On

this basis, we initiate appropriate risk-based preventive measures.

If there are actual indications, such as special events, information, or reports, that point to possible risks or violations of human rights or environmental obligations within our own business area or our supply chain, we also carry out ad hoc risk analyses. We do this, for example, when we obtain substantiated knowledge of possible violations of a human rights or environmental obligation by our direct or indirect suppliers. Similarly, the need for an ad hoc risk analysis arises when the risk profile significantly changes or such a change is expected, for example because of the introduction of new products or entry into new markets.



2. Preventive and remedial measures

When we identify increased risks, we immediately take appropriate preventive measures. Here, we also follow a risk-based approach and focus on the areas in which we have identified the highest human rights and environmental risks. The aim of preventive measures is to avoid any violation of a human rights or environmental obligation by minimizing the risks caused by or contributed to by our business activities.

When we identify an imminent or actual violation of a human rights or environmental obligation, we take appropriate remedial action without undue delay. These actions are aimed at avoiding or stopping the violation or minimizing the extent of the violation if stopping it is not possible.

We take a wide range of measures aimed at reducing the risks to people and the environment, including the further development of existing measures and the establishment of new ones, both at DB Engineering & Consulting GmbH and at Group level.⁴

The following preventive and remedial measures should be emphasized in particular:

- Publication of this **policy statement** and implementing it across the DB Group
- **Definition of clear responsibilities**, in particular designation of a Group LkSG officer to monitor our risk management
- **Further development and implementation** of our **Codes of Conduct** (internal and for business partners), particularly against the background of the requirements of the LkSG
- **Raising awareness among purchasing departments** of the need for risk-based consideration of **human rights and environmental requirements** in our procurement strategies and purchasing practices
- **Consideration of human rights and environmental requirements** when **selecting new suppliers** (e.g. through recognized sustainability assessments) and gaining their **contractual commitment** to fulfilling these requirements
- Amendment of the **General Terms and Conditions** of Procurement and the bidder's own declaration on the requirements of the LkSG

- Implementation of risk-based control measures in the form of **awareness-raising discussions with business partners** and business units
- Risk-based development of **concrete action plans** with suppliers and business units where **risks or violations are identified**
- Establishment and further development of a **comprehensive catalog of measures for preventive and remedial measures** to support the selection and implementation of typical measures per risk area
- Amendment of our **contractual clauses** (e.g. on audit rights)
- Conducting risk-based **social audits** of selected business partners
- **Further training and sensitization of employees and business partners** through regular information and training on LkSG-relevant topics as well as continuous development of information concepts
- Exchange and involvement in **industry initiatives**
- Design and implementation of **effectiveness tests** of the preventive and remedial measures

In the development and implementation of measures to fulfill our due diligence obligations we endeavor to appropriately involve any parties and their diverse interests, who are potentially affected by our business activities, improving the effectiveness of our due diligence measures.

In the implementation of preventive and remedial measures, we attach great importance to a cooperative relationship with our business partners. In the event of serious violations, however, we reserve the right to impose appropriate sanctions on the respective business partner, including termination of a contract or an entire business relationship as a measure of last resort.

⁴An overview of measures already in place within the DB Group can be found in the [Integrierten Report](#).

3. Complaints procedure

Another key component of our due diligence processes is the provision of an appropriate and effective complaints procedure. This can be used to report human rights and environmental risks as well as violations of human rights or environmental obligations, regardless of whether they have occurred in the supply chain or in our own business area.

In addition to the option of contacting us by mail (Deutsche Bahn AG, Nachhaltigkeit und Umwelt, LkSG-Beschwerdeverfahren, Potsdamer Platz 2, 10785 Berlin), the “Business Keeper Monitoring System” (BKMS), an electronic whistleblowing system, is available as a complaints channel that has been expanded in line with the requirements of the LkSG. The system can be used in 22 languages. An important and integral part of the complaints process is protecting people who submit complaints or information from being discriminated against or penalized because of them reporting or providing information. All reports are treated in strict confidence and, if requested, anonymously.

We review all reports and information received in connection with the LkSG to determine whether the facts reported indicate a human rights or environmental

risk or a violation of human rights or environmental obligations. Where this is the case, the report is transferred to the competent body. If an initial suspicion is confirmed, necessary measures are taken to minimize or eliminate risks or violations. All complaints and information are handled only by a small select group of specially trained employees who are impartial, independent and sworn to secrecy. In operating our complaints procedure, we can learn about risks or breaches previously unknown to us. In addition to the risk analysis, the complaints procedure plays a key role in enabling us to continuously improve and develop our risk management.

We review the effectiveness of our complaints procedure once a year and on an ad hoc basis as required. To this end, a systematic analysis of the complaints procedure is carried out, in which random samples of various anonymized cases are examined in detail and their resolution being evaluated in terms of their effectiveness. In addition, the LkSG Officer monitors the complaints procedure.

The rules of procedure for our complaints procedure are publicly available [here](#).



4. Reporting and documentation

In addition to our existing comprehensive and integrated reporting activities we will report annually to the German Federal Office for Economic Affairs and Export Control (BAFA) on the fulfillment of our human rights and environmental due diligence obligations for the previous fiscal year. We ensure that the reporting and publication obligations are met in full and on time.

We submitted the report for the fiscal year 2023 via the BAFA access process and published it on our website, where it can be found for a period of seven years. Our procedures for complying with statutory due diligence requirements are documented on an ongoing basis and retained for at least seven years.

5. Responsibilities

Safeguarding human and environmental rights in our business operations and along the global supply and value chains is of paramount importance to the Managing Directors of DB Engineering and Consulting GmbH. Responsibility for the effective implementation of the LkSG at DB Engineering & Consulting GmbH lies at the most senior level with the Managing Director. For their part, the Managing Directors define clear responsibilities to ensure the effective implementation and monitoring of the risk management process.

The Managing Directors appoint a LkSG officer to monitor the implementation of the statutory due diligence requirements at DB Engineering & Consulting GmbH. The LkSG officer is closely involved in the implementation and updating of the risk management system and carries out risk-based control measures to verify compliance with human rights and environmental obligations.

The Managing Directors inform themselves regularly, at least once a year, as well as on an ad hoc basis, about the work of the LkSG officer. To this end, the LkSG officer provides the Managing Directors with information on the main results of the risk analysis, on preventative and remedial measures taken, and on information gained from the complaints procedure. The LkSG Officer also reports on whether the procedures embedded in operations and the measures taken to implement due diligence processes are appropriate and effective. This ensures that the Managing Directors always have all the relevant information they need to fulfill their responsibilities and to make sound decisions.

The implementation of due diligence processes is being coordinated at DB Group by a Group-wide project that

is managed by the Sustainability and Environment Group Management function in cooperation with Compliance, Human Resources Strategy, Legal Affairs and Central Procurement departments.

At DB Engineering and Consulting GmbH, the operational implementation of human rights and environmental due diligence obligations is fulfilled and managed by the LkSG coordinator, who is appointed by the head of the Compliance department. The relevant departments, in particular Procurement, Human Resources and the units concerned with environmental-related issues are responsible for the practical implementation of due diligence processes and are supported by further departments. All these departments contribute to the effective implementation of due diligence in their daily work.

In order to implement the principles of the LkSG uniformly and consistently, the Group Management of the DB Group performs the governance function in relation to the DB subsidiaries obligated by the LkSG. This involves, in particular creating and updating Deutsche Bahn AG's human rights strategy, providing methods and templates for the decentralized implementation of due diligence by the obligated DB subsidiaries and performing functional management of the LkSG coordinators in the DB subsidiaries.

III. The human rights and environmental topics we prioritize

We recognize that our business activities in our own business area and along our global supply and value chains can potentially have an impact on human rights and the environment.

Our abstract risk analysis carried out throughout the DB Group in 2024 and supported by an external provider initially identified abstract risks in all risk areas covered by the LkSG. Following the subsequent specific risk analysis, we were able to determine that the probability of these risks occurring in our own business area is predominantly low. This is partly because numerous appropriate and effective preventative measures are already in place. The analysis for 2024 also shows, that the overall risk in relation to our suppliers tends to be higher than for our own business area.

In order to (further) reduce our overall risks and act preventively, we are implementing measures in relation to all LkSG risk areas. Our focus is particularly on the risks prioritized by our risk analysis.

1. Risks in our own business area

For our own business area, we prioritize the following risk area:

- **Violation of the prohibition of unequal treatment in employment** (Section 2 (2) No. 7, No. 12 LkSG)

Our decision to prioritize this risk follows on from the prioritization in 2023. We have received a relevant number of reports on this topic from our employees and customers via the complaints procedure. The CSR Risk Check for Germany also identified a relevant risk around discrimination under labour law.

Despite existing preventive measures such as:

- our internal Code of Conduct (Corporate Principles on Ethics),
 - our active diversity management promoting diversity and inclusion,
 - our “Women in Leadership” initiative, with which we make an important contribution to gender equality in particular in order to further reduce imbalances in this dimension, as well as
 - our own anti-discrimination office which exists in addition to the Group-internal ombudspersons,
- we will continue to focus on these particular areas. In our business operations abroad, we also prioritize the following area:

- **Disregard for occupational health and safety and work-related health hazards** (Section 2 (2) No. 5 LkSG)

Here, too, we are following on from the prioritization in 2023. The results of the risk analysis do not provide any direct indications of an actual Operational Health & Safety risk and the implementation of respective requirements is regularly certified in accordance with ISO 45001 in Germany and abroad (in case any of the very few independent entities of DB E.C.O. Group are not certified, they follow the same standards). However, the decision to reprioritize this risk area is based on the fact that the safety of our employees is our top priority. We want to further harmonize our Operational Health & Safety standards worldwide, expand the exchange and achieve a Zero-Accident safety philosophy.

2. Risks in the supply chain

In our supply chain, after conducting the risk analysis and the heat map, taking into account severity and probability of occurrence, as well as on the basis of the complaints procedure and the information available from ratings, we most frequently identified medium and in some cases high risks in the following areas:

- **Disregard for the freedom of association** (Section 2 (2) No. 6 LkSG)
- **Violation of the prohibition on causing harmful changes to soil, water pollution, air pollution, harmful noise emissions or excessive water consumption** (Section 2 (2) No. 9 LkSG)

Although we do not see any indications for the afore-mentioned risks (based on the findings from the complaint procedure and our careful selection of our direct suppliers), we still focus on these risk areas due to the increased abstract risks in some of the countries in which we operate.

3. Outlook

Changes, especially in complex processes, require time and continuous effort to achieve sustainable results. We have therefore decided to partially maintain the prioritization of risks per the past year.

Our external Code of Conduct already contains guidelines on all the afore-mentioned topics, which are verified through risk-based queries (e.g. via sustainability ratings) and in some cases through audits of suppliers.

Regarding the identified and priority risks, we conduct awareness-raising workshops with relevant decision-makers in both our own business area and within relevant suppliers. We take further measures based on these workshops, such as adapting our training concepts and procurement strategy.



IV. The expectations we have of our employees and business partners

When it comes to complying with our human rights and environmental due diligence obligations, we have high expectations of ourselves and our business partners. Considering the priority risks identified in Section III above and in affirmation of the commitment to sustainable and responsible corporate governance set out in Section I, we have the following expectations:

We are committed to conducting all our business activities in an ethical and legal manner and in accordance with the principles set out in this policy statement. This commitment is inextricably linked to the way we conduct ourselves in the course of our work. In our business activities, we comply with the applicable law and respect internationally recognized human rights and environmental legal standards.

Our commitment to respecting human rights and the environment is already reflected in our internal Code of Conduct ([Corporate Principles on Ethics](#)), in which we set out binding standards and expectations for our daily conduct. All management board members, managing directors, managers, and employees are committed to the principles set out in our internal Code of Conduct. As role models, managers have a special obligation to uphold these principles.

In implementing our legal obligations under the LkSG, we expect our employees to contribute to the best possible fulfillment of our human rights and environmental due diligence obligations through their daily decisions.

We are aware that we have a responsibility that goes beyond our own actions. We therefore not only set high standards for ourselves, but also demand social and environmental standards from our business partners. We expect them, too, to conduct their business with integrity, implement appropriate processes to respect human rights and environmental laws, and take appropriate steps to make our expectations known throughout their supply chain.

We set out our specific requirements and principles for cooperation with our business partners in our [DB Code of Conduct for Business Partners](#). Suppliers and other business partners pledge to comply with our Code of Conduct or equivalent requirements.

We work closely with our suppliers and other business partners to ensure that they adhere to the same high standards as we do and communicate these standards along their supply chain. We promote transparency and information-sharing to ensure that they understand and meet our expectations. We expect them to act honestly, responsibly, transparently, and fairly. One of our expectations is that our suppliers and business partners provide information on how they comply with our principles when requested to do so. Should our own behavior lead to a situation that makes it difficult for suppliers to comply with our principles, we encourage our business partners to inform us proactively and we commit to finding appropriate solutions together.

V. Continuous further development of our due diligence processes

We are aware that the implementation of human rights and environmental due diligence is an ongoing process. We therefore review this policy statement annually, as well as on an ad hoc basis, and will update it without delay if, for example, we identify changed or increased risks.

More information is available on our website at <https://db-eco.com/en/corporate-social-responsibility/>



Imprint

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