

SUPPLIER CODE OF CONDUCT

VERSION 2.0, JANUARY 2023



KNORR-BREMSE

Introduction

Knorr-Bremse AG and all subsidiaries under its control (hereafter jointly “Knorr-Bremse”) are committed to integrity, sustainable development and the principles of the UN Global Compact in all aspects of their business conduct with customers, suppliers, employees, competitors and other stakeholders. This Code sets out Knorr-Bremse’s standards and expectations for all its business relationships with suppliers. Knorr-Bremse reserves the right to amend this Code of Conduct and expects appropriate amendments to be implemented by its business partners.

Definition of „suppliers“

“Suppliers” means natural persons and legal entities – and their affiliated companies – which supply products or render services to Knorr-Bremse, for example suppliers, consultants, brokers, commercial agents, distributors, contractors or intermediaries for goods and services.

Every Supplier is obliged to comply with the standards of this Code. The Code forms a fundamental part of any business relationship between Knorr-Bremse and the Supplier. Violations of the Code may result in termination of the business relationship or the assertion of other claims.

The Supplier shall endeavor to ensure that their own suppliers and sub-contractors implement the standards set out in this Supplier Code of Conduct.

Compliance with laws, rules and regulations

Suppliers are obliged to comply with all applicable laws, rules and regulations of the countries in which they conduct their business.

Suppliers shall maintain appropriate control systems within their business operations that prevent law infringements and enable their investigation.

Respect for and protection of human rights

Suppliers are obliged to protect human rights and treat every employee and stakeholders with fairness, dignity and respect.

Freedom of association & collective bargaining

Suppliers must respect the freedom of association, the right to collective bargaining and the principles of equal opportunities in accordance with applicable laws and regulations.

Anti-discrimination & harassment

Suppliers must not discriminate against employees or subject them to reprisals on account of their gender, age, ethnic origin and background, nationality, race, disability, sexual orientation, religion, political conviction or similar reasons. Physical or psychological violence against employees and stakeholders as well as sexual harassment must not be tolerated.

Forced labour, child labour

Suppliers must ensure that they do not make use or profit from any type of child or forced labour, modern slavery or human trafficking. All national legislation and international agreements that specify a minimum age for employees must be complied with.

Fair wages & working hours

Supplier must pay fair wages and respect the maximum working hours in accordance with local laws and ensure compensation of a living wage according to local living conditions.

Health & safety

Suppliers must ensure the safety and health of employees in their workplaces and create a work environment that promotes accident prevention and minimizes health risks for everyone working on their sites. Suppliers must comply with the locally applicable health and safety regulations and require and train employees to do so as well.

Protection from eviction and deprivation of land and use of security forces

Suppliers must refrain from any unlawful evictions or deprivation of land, forests, and waters. Suppliers must furthermore ensure that all security forces engaged for the protection of their projects, staff and facilities comply with applicable laws.

Fair competition

Suppliers are expected to adhere to the principle of fairness in competition and comply with applicable antitrust regulations.

Combating corruption

Knorr-Bremse does not tolerate any form of corruption, bribery or other unfair business practices.

Knorr-Bremse expects its suppliers to forbid the granting or offering of gifts, hospitality, facility payments, donations, sponsoring, kick-backs or other benefits of value to private persons or public officials that aim to unlawfully influence business decisions or otherwise encourage them to act contrary to their obligations.

Prevention of money-laundering

Suppliers are obliged to comply with all statutory requirements aimed at preventing money laundering and must not participate in any form of money laundering activity.

Preventing conflicts of interest

Suppliers shall disclose all conflicts of interest that have or might be perceived to have an impact on the business relationship to Knorr-Bremse.

Export control & sanctions

Suppliers must comply with the applicable laws on the import and export of goods, services and information as well as to the applicable embargoes and sanctions.

Conflict minerals

Every Supplier must take appropriate measures to avoid the use of raw materials in its products that directly or indirectly contribute to human rights abuses, corruption, funding armed groups, or similar adverse effects.

Environmental protection, product safety & product integrity

Suppliers are obliged to comply with all applicable laws and expected to follow international environmental standards, to use all natural resources sparingly and responsibly, and are expected to keep the negative impact of their business activities to the environment, climate change, biodiversity and water scarcity to a minimum.

Suppliers are expected to implement appropriate management systems in order to avoid environmental and safety risks and improve existing environmental and safety standards.

Suppliers and business partners must comply with all applicable legal requirements for product safety and product integrity, the handling of hazardous substances, materials and waste as well as for labelling and packaging of products. In particular, products must not contain any program routines or technical devices designed to evade legal or regulatory requirements.

Suppliers are expected to encourage the development and diffusion of energy-efficient and environmentally friendly technologies, to use all natural resources sparingly and to reduce waste, as well as emissions to air, water and soil.

Privacy, confidential information & intellectual property

Suppliers must respect and comply with the applicable data regulations.

Suppliers must respect and secure the confidential information of all business partners.

Whistleblowing & complaints mechanism

Suppliers are expected to enable their employees and stakeholders to report concerns or potentially unlawful practices as well as violations of this Supplier Code of Conduct without fear of retaliation. Suppliers may set up their own whistleblowing system or join an industry-wide system. Furthermore, suppliers are expected to inform their employees about Knorr-Bremse's whistleblowing and complaints system, which can be found on [the Knorr-Bremse website](#), or can be emailed to compliance@knorr-bremse.com.

Audits & assessments

Knorr-Bremse reserves the right to assess or audit suppliers to ensure compliance with the principles of this Supplier Code of Conduct. Knorr-Bremse expects its suppliers to maintain proper records of the relevant information and to provide requested information and documentation within a reasonable period of time. Knorr-Bremse will approach the supplier in advance to agree on the scope, time, and place of such compliance checks.

Violations of the standards set out in this Supplier Code of Conduct, especially violations of human rights and environmental obligations and criminal law infringements, must be stopped immediately. Suppliers shall engage with Knorr-Bremse to seek adequate remedies for any identified risks or violations and to establish effective controls and measures to prevent their recurrence. If the Supplier fails to adequately address the issue within a reasonable period of time, Knorr-Bremse reserves the right to terminate the business relationship for cause without further notice and without prejudice to other statutory or contractual rights.

Signature

Date

Signature

Date

Name in block letters

Name in block letters

Position

Position