

Policy statement for the Supply Chain Due Diligence Act

Expectations from the supply chain – Our self-perception

The people and the environment matter especially a great deal to us as ÜSTRA – that is naturally true for Hanover, but also further beyond that. We stand for environment-friendly mobility and with our city buses and suburban railway, are among the top groups of the German local public transport companies. We are aware that we can provide our daily service only because our employees do a good job, our passengers have been keeping faith in use for 130 years, and our subcontractors perform high-quality work. We believe that only an intact environment lets you establish a durably intact society. And a sustainable economy in turn can remain durably existent only in an intact society.

Therefore, we expect that the following fundamental human rights be respected along our entire supply chains:

- Prohibition of child labour, forced labour, and slavery
- Safeguarding freedom of association
- Payment of commensurate wages
- Treating each other without discrimination
- Adherence to occupational and health safety
- Prohibition of forced evictions and expropriation
- Avoidance of harmful environmental changes
- Avoidance of inappropriate water usage
- Serious damage of a protected legal position, against public law

In addition, the following environment-related principles are applicable for ÜSTRA:

- Compliance with the Minamata Convention while handling mercury
- Compliance with the Stockholm Convention during handling and the environmentally sound disposal of persistent organic pollutants
- Compliance with the Basel Convention in the import and export of hazardous wastes

The specifications according to the supply chain due diligence act are decisive for us in the assessment. We consider it as our responsibility to stand up for these defined values in our own business segment and expect the same from our partners in the supply chain.

In order to do justice to this self-perception, we systematically deal with our own company, our shareholdings, and our direct vendors. We have internally appointed a Human Rights Officer, who controls the process of risk management. It is important for us to identify risks in complying with human rights and violations in environmental laws early on. We have therefore established an effective risk management that allows us to identify risks systematically. We proactively examine our own business segment as well as our vendors annually and as and when appropriate. Our company's in-house risk and vendor management systematically analyses risks in our own business segment as well as at our direct subcontractors. The results of this analysis process feed into our corporate decision-making process and affect the vendor selection and development. The risk analysis forms the basis for the identification of appropriate measures here. Furthermore, we use the results as a

basis for creating and where required, adapting internal regulations, processes, and trainings to meet the changing needs for our diligence process. In addition, we take up contact with our vendors. Within the framework of contractual warranties as well as suitable control mechanisms, we oblige our direct subcontractors to fulfil our expectations. In case any violations of human rights or environment guidelines are found out or imminent, we initiate corrective measures. We always first rely on cooperation and jointly developing solutions. In particular, the following measures can be taken with respect to the direct vendors, who are obliged to contribute to:

- jointly developing and implementing a plan to end or minimise the violation with the company which caused the violation,
- merge with other companies within the framework of industry initiatives and industry standards to increase influence on the originators,
- temporarily suspending the business relationship during the endeavours to minimise risk.

We monitor and document the attainment of objective during the entire process. If serious violations cannot be averted or redressed, we reserve the right to terminate an existing cooperation. The discontinuation of the business relationship is possible when

- the violation of a protected legal position or an environment-related obligation is assessed as very serious,
- the implementation of the measures developed in the concept does not effect remedy after the time defined in the concept has run out,
- no other gentler means are available and an increase in the capacity to influence does not seem promising.

We cannot proactively control the analysis of the deeper supply chain. But for specific indications of violations, we naturally also take up contact with the indirect vendors and try to find cooperative solutions.

An reasonable and effective complaint management is an important part of our diligence processes to effectively prevent potential adverse human rights-related effects through our company and our business activities and to find effective remedy for the adverse effects. We run a whistle-blower system, which offers the internal and external interest groups and all potential parties concerned worldwide a confidential communication channel on our website www.uestra.de/unternehmen to report possible violations of human rights and international conventions. Our systematic handling of complaints and the insights gained from in the process allow us to continuously improve our due diligence processes related to human rights and environment.

We document advances and states of affair once a year as a part of a report to inform the public about our self-commitments and diligence processes to respect human rights and their effectiveness. The report is published on our homepage.

The management board
ÜSTRA Hannoversche Verkehrsbetriebe Aktiengesellschaft