

Supplier Code of Conduct for Service on Railway Vehicle

Northrail is an asset manager who markets and manages rail vehicles from owner and investment companies. Our company is a leading platform in the German railway industry. We develop tailor-made services for our customers. To maintain the usability of the vehicles, we commission service providers to carry out maintenance and repairs.

We actively address environmental, social and governance (ESG) issues and their risks and opportunities because we believe this contributes to greater value creation, reduced operational and financial risks and a more sustainable world.

Northrail is committed to infuse its beliefs in its value chain and to work with its suppliers to share this commitment. This Supplier Code of Conduct sets forth the principles and standards that we expect our suppliers to uphold.

The Northrail Management Team expects all Northrail employees and agents who act on our behalf to adhere to the principles and intentions set in this Code of Conduct.

The Code of Conduct applies to all people or organizations with whom we have a contractual relationship. This includes, but is not limited to, suppliers, consultants, contractors, agents, or other representatives who provide goods or services to Northrail. The Code applies globally, regardless of the geographic location of the supplier, and is applicable to all aspects of the supplier's operations that provide products or services to Northrail. It is aligned with the principles and standards of the OECD Guidelines for Business, the United Nations Guiding Principles on Business and Human Rights, and the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. It supports our commitment to support the UN Sustainable Development Goals.

This Code of Conduct sets out the minimum expectations and standards that we place on our suppliers when conducting business with Northrail and is an integral part of our supplier qualification and selection process. This Code is not intended to conflict with or modify the terms and conditions of any existing contract. Northrail is committed to promoting a responsible and sustainable supply chain that includes ethical business practices, environmental protection, and social responsibility. We expect our suppliers to cascade these principles through their own supply chains.

1. Ethical behavior

We require our suppliers to commit to fair competition and integrity in all business relationships, including respecting intellectual property and maintaining data protection and confidentiality of private information. Corruption, bribery, advantage-taking and unethical business practices are unacceptable. Suppliers must avoid conflicts of interest that may compromise the supplier's ability to act in the best interest of Northrail.

2. Compliance with laws and regulations

Suppliers must comply with all applicable laws, regulations, and standards relevant to their business activities and the countries in which they operate, including labor law, environmental protection and safety standards.

Northrail reserves the right to audit suppliers to ensure compliance with legal and regulatory requirements.

3. Working conditions

Suppliers must uphold the human rights of workers and treat them with dignity and respect. Suppliers and their suppliers must ensure fair working conditions, including appropriate wages and working hours at least in compliance with applicable laws. Discrimination, harassment, human trafficking, and forced labor as well as child labor are strictly prohibited.

Suppliers should respect the rights of workers to associate freely and communicate openly with management regarding working conditions without fear of harassment, intimidation, or retaliation.

4. Health and Safety

The safety and health of employees has top priority. Suppliers must take appropriate measures to ensure a safe and healthy working environment. Suppliers are expected to implement effective health and safety management systems to identify and mitigate potential health and safety risks. The Supplier as player in the European railway industry undertakes to raise awareness and promote a positive safety culture. Northrail is committed to the European Railway Safety Culture Declaration and encourages suppliers to sign this declaration.

5. Environmental protection

Suppliers are obliged to operate in an environmentally responsible manner and minimize the impact of their activities on the environment and promote sustainable practices.

Compliance with environmental regulations and the promotion of sustainable use of resources are essential. Northrail expects suppliers to manage and dispose of hazardous substances safely and responsibly.

6. Quality and reliability

Northrail is committed to delivering the highest quality rail vehicles and services to its customers. We expect our suppliers and operators to meet the highest quality standards and be reliable to ensure the safety and efficiency of the rail vehicles.

Suppliers should have robust quality management systems in place to monitor, measure, and improve the quality of their output. This includes conducting regular inspections, tests, and audits to identify and address any potential issues before they impact Northrail's operations. By maintaining a focus on quality and reliability, suppliers contribute to the safety, performance, and longevity of Northrail's rail vehicles, ultimately enhancing customer satisfaction and trust in our brand.

7. Communication and collaboration

We believe open and honest communication between the asset manager and supplier is crucial for building strong, long-term partnerships. Suppliers should be willing to accept feedback and strive for continuous improvement and maintain open, transparent and timely communication regarding all aspects of their business relationship with Northrail.

This includes promptly informing Northrail of any issues that may affect the supply chain, such as potential delays, changes in production, or compliance concerns. Suppliers should inform Northrail immediately of any unusual maintenance findings/relevant safety risks as part of its service provision and shall exchange relevant maintenance information with us. Additionally, suppliers are encouraged to collaborate with Northrail on initiatives that drive innovation, sustainability, and continuous improvement. By working together, we can identify opportunities to enhance efficiency, reduce costs, and create shared value for both Northrail and its suppliers.

8. Responsibility to the community

Northrail believes in creating positive social impact and expects suppliers to contribute to the communities in which they operate. We value a diverse supply chain and encourage suppliers to provide equal opportunities for all employees.

Suppliers should actively engage with the community and assume social responsibility by supporting local initiatives and contributing to economic development. They should promote diversity, equity, and inclusion within their workforce.

This Supplier Code of Conduct aims to support suppliers in their efforts to continuously improve their practices and participate in training and development programs.

Should you have any concerns about illegal or improper conduct of this Code of Conduct, please contact Northrail. We will investigate all reports and take appropriate action to address any violations.