



## **Policy statement on the human rights strategy of DB Bahnbau Gruppe GmbH**

### **Foreword**

At DB Bahnbau Gruppe GmbH, we consider sustainability to be a central principle of our business activities and it is firmly anchored in our Group's Strong Rail strategy. We pursue an integrated approach that encompasses the environmental, social and economic dimension of sustainability.

We know that corporate responsibility goes beyond economic key figures. 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. This aligns with Deutsche Bahn's green transformation and the clear commitment to social responsibility that the Board of Managing Directors and the employees of DB Bahnbau Gruppe demonstrate.

As a construction company for rail infrastructure that operates in Germany and around Europe, we are also aware that we have an important responsibility for our supply chains. It is therefore important to us to ensure responsible and sustainable value creation along our supply chain – in Germany, but also in all other countries in which we operate. We also expect our suppliers and our other business partners to treat people and the planet with respect as the basis for a reliable and sustainable partnership. For us, economic success and socially responsible action are not contradictory, but rather mutually dependent. This is also important to us when working with our business partners.

With some 4,100 employees and some 500 vocational trainees and cooperative education students, revenues of approximately EUR 1.1 billion, and a large number of business partners in Germany and other countries, we have a responsibility to society. It is clear to us that sustainable and responsible corporate governance can only be based on respect for people and the environment.

**Markus Egerer**  
Chairman of the  
Board of Managing Directors/  
Engineering

**Markus Faller**  
Managing Director for  
Finance and Controlling

**Dr. Doris Radatz**  
Managing Director for  
Human Resources

**Jörg Lautenbach**  
Chair of the  
Central Works  
Council

DB Bahnbau Gruppe GmbH | Registered Office: Berlin | Registry Court: Berlin-Charlottenburg  
HRB 124 422 B | VAT ID No.: DE 227648860 | Chair of the Supervisory Board: Frank Miram  
Board of Managing Directors: Markus Egerer, Karl Markus Faller, Dr. Doris Radatz  
Bank details: Commerzbank AG | BIC/SWIFT code: DRESDEFF120  
IBAN: DE93 1208 0000 4097 3944 00  
Deutsche Bank AG-Postbank Branch | BIC/SWIFT code: PBNKDEFFXXX  
IBAN: DE67 1001 0010 0153 4191 05



More information on data processing at the DB Group is available at [www.deutschebahn.com/datenschutz](http://www.deutschebahn.com/datenschutz)



I. Introduction.....	3
II. Our commitment to sustainable and responsible corporate governance.....	4
III. Our measures to implement our due diligence obligations.....	5
1. Risk analysis .....	5
2. Preventive and remedial measures.....	7
3. Complaints procedure .....	9
4. Reporting and documentation.....	10
5. Responsibilities .....	10
IV. Our prioritized human rights and environmental issues.....	11
1. Risks in our own business.....	12
2. Risks in the supply chain.....	12
V. The expectations we have of our employees and business partners .....	13
VI. Continuous further development of our due diligence processes.....	14

## I. Introduction

As a company of the Deutsche Bahn Group, we are Germany's leading full-service provider for rail infrastructure – we ensure the availability of tracks for our customers in Germany and Europe. We fully support the DB Group's efforts to shift more traffic to climate-friendly rail through our business activities.

As part of the DB Group, we are aware of our great social and environmental responsibility. Our goal is to ensure responsible and sustainable value creation along our supply chains.

With the adoption of the Act on Corporate Due Diligence Obligations in Supply Chains (*Lieferkettensorgfaltspflichtengesetz*, "LkSG")<sup>1</sup>, a framework for this has been created in 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 and to establish responsible management of their supply chains. The aim is to improve the protection of human rights and the environment along supply chains, strengthen social and corporate responsibility and create enforcement potential in supply chains.

In summer 2024, the European Union adopted the EU-wide Corporate Sustainability Due Diligence Directive (CSDDD)<sup>2</sup>. The CSDDD obliges large European and foreign companies throughout the EU to commit to complying with certain environmental and human rights standards in their supply and value chains. The CSDDD is similar in content to the LkSG, but also contains changes, particularly in areas relating to the environment. It must be transposed into national law two years after it came into force.

This policy statement expresses our commitment and dedication to respecting human rights and environmental responsibilities:

- We are committed to **sustainable and responsible corporate governance**.

---

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

<sup>2</sup> Directive 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.

- We describe the **procedures** we use to implement our due diligence obligations pursuant to the LkSG.<sup>3</sup>
- 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 on the basis of our risk analysis.
- We define the **expectations** we have of ourselves and of our suppliers and other business partners in order to ensure compliance with human rights and environmental obligations.

In addition to DB Bahnbau Gruppe GmbH, other DB Group companies have obligations under the LkSG, including the parent company of the DB Group, Deutsche Bahn AG. While Deutsche Bahn AG's policy statement sets out the Group-wide human rights strategy and provides an overarching risk profile for the entire DB Group, this policy statement from DB Bahnbau Gruppe GmbH is different in that it describes the specific risk situation at the subsidiary.

## **II. Our commitment to sustainable and responsible corporate governance**

We have made sustainability an essential part of our business operations and it is a central component in our company strategy. In order to achieve sustainable and responsible value creation in our own business activities and along our supply chain, we are committed to upholding and promoting internationally recognized human rights, respecting labor standards and 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 is the foundation to also ensure compliance with the LkSG. Our business activities are based in particular on the following internationally recognized human and environmental rights 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

---

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

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 labor standards of the International Labor 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 precautionary approach to environmental protection that goes beyond compliance with applicable environmental law and 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 standpoints 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 want to help leave future generations with a planet worth inhabiting.

### **III. Our measures to implement our due diligence obligations**

We align our business activities with the requirements of the LkSG. We have put in place appropriate and effective risk management instruments to implement targeted measures to fulfill our due diligence responsibility. We see dealing with human rights and environmental risks as an ongoing process that we are anchoring ever more firmly 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 on people and the environment. As part of our annual risk analysis, we consider the following risk areas in particular, both for our own business and for our direct suppliers:

- Violation of the prohibition of **child labor**
- Violation of the prohibition of **forced labor** 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 **a fair wage**
- Destruction of natural resources 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** with regard to the above-mentioned risk areas. We use the risk data of an external, specialized provider to continuously identify country and sector-specific risks in our own business area and with direct suppliers. Country and sector risks are assessed using a large range of indicators, based on the risk database of the German Federal Office for Economic Affairs and Export Control, and also publicly available reports and media sources. The results of the abstract risk values are then validated, allowing us to make an initial assessment of the existing risk profiles in our own business area and with our direct suppliers.

Particularly when the abstract risk analysis reveals increased risks, we subject our own business area and our direct suppliers to a more detailed examination. The aim of this **specific risk analysis** is to identify the actual dispositional risk factors that could lead to human and environmental rights being violated. In order to decide which companies or suppliers to look at in more detail, we take a risk-based approach.

Our risk-based approach means that we use questionnaires and study sustainability assessments of companies and suppliers to identify actual risks or existing risk mitigation measures, as we do to identify the potentially increased dispositional risks. Once the

specific risk analysis has been completed, the findings regarding the probability of a violation occurring are prioritized according to the appropriateness criteria of the severity of the risks, our ability to influence them and our contribution to causing them. Once we have analyzed the risks in these ways, we initiate the preventive measures required.

If there are actual indications, highlighted by special events or current reports for example, that point to possible risks or violations of human rights or environmental obligations in our own business or our supply chain, we also carry out **ad hoc risk analyses**. Similarly, the need for an ad hoc risk analysis is indicated if a significantly changed or significantly expanded risk situation in the supply chain is expected - as a result of the introduction of new products or entry into new markets, for instance.

We use the insights gained from regular and ad hoc risk analyses to make sound, sustainable business decisions, be they strategic decisions such as market entries and exits, participation in specific projects, or the anchoring of appropriate preventive and remedial measures.

## **2. Preventive and remedial measures**

If we identify relevant risks, we take appropriate preventive measures without delay. Here, we also follow a risk-based approach and focus on the areas in which we have identified the greatest 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.

If 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 ending the violation or minimizing the extent of the violation if ending it is not possible. If violations occur in the company's own business area, remedial measures are taken immediately, which must lead to the violation being terminated.

We regularly update the preventive and remedial measures we take and establish new approaches.<sup>4</sup>

The following preventive and remedial measures taken and planned by us and the Group Management deserve special mention:

---

<sup>4</sup> An overview of measures already in place within the DB Group can be found in the [Integrated Report](#).

- Publication of this policy statement
- Definition of clear responsibilities, in particular designation of an LkSG officer to monitor our risk management
- Further development and implementation of our [codes of conduct \(internal and for business partners\)](#), in particular against the background of the requirements of the LkSG
- Addressing of purchasing units with commodity group responsibility to raise awareness of how necessary risk-based consideration of human rights and environmental requirements is in our procurement strategies and purchasing practices
- Consideration of human rights and environmental requirements in the procurement strategy when selecting new suppliers (e.g. through recognized sustainability assessments) and gaining of their contractual assurance of the 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 segments
- Risk-based drafting of dedicated action plans with suppliers and business segments when risks or violations are identified
- Establishment and maintenance of a comprehensive catalog of preventive and remedial measures to support the selection and implementation of typical measures in each risk area
- Amendment of our contractual clauses (e.g. on audit rights)
- Conducting of social audits of business partners selected in line with the risk-based approach
- Further training and sensitization of employees and business partners by regularly providing information on LkSG-relevant topics, as well as continuous development of communication concepts
- Exchange and involvement in industry initiatives (e.g. econsense, Railsponsible) by the Group Management of the DB Group
- Design and implementation of effectiveness testing of preventive and remedial measures.

We endeavor to appropriately involve any parties, with their diverse interests, potentially affected by our business activities in the development and implementation of our due diligence measures in order to ensure that these are effective.



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 or - as a last resort - to terminate a contract or an entire business relationship.

### **3. Complaints procedure**

Another key component of our due diligence obligations 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 rights, regardless of whether they have occurred in the supply chain or in our own business.

In addition to the option of writing to Deutsche Bahn AG, Nachhaltigkeit und Umwelt, LkSG-Beschwerdeverfahren, Potsdamer Platz 2, 10785 Berlin, Germany, the Business Keeper Monitoring System (BKMS), an [electronic whistleblowing system](#), is available as a complaints channel and has been expanded in line with the requirements of the LkSG. The system can be used in 22 languages. Protecting people who submit complaints or information from being discriminated against or penalized as a result of whistleblower reports or information they submit is an important part of our complaint process. All reports are treated in confidence and, if requested, anonymously.

We look at reports received to determine whether they refer to risks affecting human rights or environmental issues or a violation of obligations in these areas. If this is the case, the report is forwarded to the appropriate company. If an initial suspicion is confirmed, necessary measures are taken to minimize or end risks or violations. All reports are handled only by a small group of selected and specially trained employees who are impartial, independent and sworn to secrecy. By implementing our complaints procedure, we have the opportunity to learn about risks or breaches of duty that were previously unknown to us. Alongside risk analysis, the complaints procedure thus makes a decisive contribution to the continuous improvement and evolution of our risk management program.

We review the effectiveness of our complaints procedure once a year and on an ad hoc basis as required. To do so, we carry out a systematic analysis of the complaints procedure, selecting anonymized cases by random sampling, examining them in detail and evaluating them with regard to 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 reporting activities, in particular integrated reporting, we report to the German Federal Office for Economic Affairs and Export Control (BAFA) on the fulfillment of our human rights and environmental due diligence obligations in the previous fiscal year. We meet our reporting and publication obligations in full and on time. We submitted the report for the 2023 fiscal year to the BAFA via their dedicated platform and published the report on our website, where it is accessible for seven years. The report can be viewed at <https://www.bahnbaugruppe.de/bahnbaugruppe-en/About-us/Compliance-LkSG/German-Supply-Chain-Act-12883742#12883742>.

Our procedures for complying with statutory due diligence requirements are documented on an ongoing basis. We keep the documents – starting from the time of their creation – 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 DB Bahnbaue Gruppe GmbH. For this reason, responsibility for the effective implementation of the LkSG at DB Bahnbaue Gruppe GmbH lies at the highest management level, with our company's Board of Managing Directors. For their part, the managing directors have defined clear responsibilities to ensure the effective implementation and monitoring of risk management.

The Board of Managing Directors has appointed an LkSG officer to monitor the implementation of the statutory due diligence requirements at DB Bahnbaue Gruppe 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 Board of Managing Directors informs itself 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 information on the main results of the risk analysis, on preventive and remedial measures taken, and on information gained from the complaints procedure. He or she also reports on whether the procedures embedded in operations and the measures taken to implement due diligence are appropriate and effective. This ensures that the Board of Managing Directors always has all the relevant information it needs to fulfill its responsibilities and make sound decisions.

In the DB Group, the implementation of due diligence is coordinated across the Group by the Sustainability and Environment Group Management function, which is the body responsible for it and manages it in cooperation with the Compliance, Human Resources Strategy, Legal Affairs and Central Procurement Group Management functions.

Within DB Bahnbau Gruppe GmbH, the implementation of human rights and environmental due diligence obligations throughout the business is ensured and managed by an LkSG coordinator appointed by the Board of Managing Directors. The relevant functional departments, specifically Purchasing, are responsible for the practical implementation of due diligence processes and receive advisory support from other 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, the Group Management of the DB Group performs a governance function in relation to all DB subsidiaries bound by the Act. 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.

#### **IV. Our prioritized human rights and environmental issues**

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.

The risk analysis we carried out in 2024, supported by an IT application from an external provider, identified abstract risks in all risk areas covered by the LkSG. The specific risk analysis that we conducted subsequently showed us that the probability that these risks would occur in our own business area was predominantly low. This is thanks to the many preventive measures already in place, which are appropriate and effective. The result of the specific risk analysis for our suppliers is higher overall than in the company's own business for 2024, as it was in the previous year.

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

## **1. Risks in our own business**

We are prioritizing the following risk area for our **own business**:

- 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)

The decision as to what to prioritize was based on the results of the risk analysis.

Irrespective of our existing environmental management program, under which we coordinate and specify the implementation of European and national environmental requirements (e.g. by means of regulations and tools), we feel compelled to devote more attention to this area.

The risk area "Violation of the prohibition of unequal treatment in employment (Section 2 (2) Nos. 7 and 12 LkSG in conjunction with Article 2 of the International Covenant on Civil and Political Rights [ICCPR] and the International Covenant on Economic, Social and Cultural Rights [ICESCR])" that we prioritized in 2023 is no longer a priority. The measures that we have taken to address this are continuing, thus anchoring the topic in the company for the long term.

## **2. Risks in the supply chain**

We have considered our direct supply chain in terms of our ability to influence it. The risk analysis we carried out, the heat map based on it, in which the severity and probability of occurrence of the risks are assessed by risk area, and the information available to us from ratings all led us to identify mostly medium, and in some cases high, risks in the following areas:

- Disregard for occupational health and safety and work-related health hazards (Section 2 (2) No. 5 LkSG)
- Prohibition of the manufacture of mercury-added products or the use of mercury and mercury compounds in manufacturing processes in accordance with the Minamata Convention and the prohibition of any treatment of mercury wastes that contravenes the provisions of the Minamata Convention (Section 2 (3) Nos. 1 to 3 LkSG)
- Prohibition of the production and use of persistent organic pollutants (POPs) in accordance with the Stockholm Convention and the prohibition of the non-

environmentally sound handling, collection, storage and disposal of POP waste (Section 2 (3) Nos. 4 and 5 LkSG)

Our Code of Conduct for Business Partners contains guidelines on all of the above topics, which are monitored by means of risk-based queries (e.g. EcoVadis ratings) and in some cases in audits of our suppliers.

With regard to the identified and priority risks, the commodity group managers hold awareness-raising workshops with the relevant decision-makers both in our own business and in the supplier domain, which are updated and enhanced as required. These workshops provide the basis for further action, such as adapting the procurement strategy and purchasing practices in use at DB Bahnbau Gruppe.

We will publish any changes in priority risks resulting from future or ad hoc risk analyses in the next update of this policy statement.

## **V. 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. In light of the priority risks identified in Section IV above and in affirmation of the commitment to sustainable and responsible corporate governance set out in Section II, 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 address our expectations 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 will commit to finding appropriate solutions together.

## **VI. 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.

Further information can be found on our web page at <https://www.bahnbaugruppe.de/bahnbaugruppe-en/About-us/Compliance-LkSG/German-Supply-Chain-Act-12883742#128837>.

Last modified in November 2024