

KNORR-BREMSE RESPONSIBLE MINERALS SOURCING POLICY



KNORR-BREMSE

Background

Knorr-Bremse respects and supports internationally recognised human rights wherever we operate. Our commitment is based on the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), the Ten Principles of the UN Global Compact, the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance, and the German Supply Chain Due Diligence Act. Legal compliance in all countries of operation is a fundamental principle for Knorr-Bremse. Our commitments towards human rights and our expectations towards ourselves, our management, staff, and business partners, are set out in our Human Rights Policy. The Human Rights Policy is complemented, inter alia, additional policies which address specific areas of concern.

This Responsible Minerals Sourcing Policy therefore specifies our commitments and expectations with regard to minerals mined in conflict-affected and high-risk areas (CAHRA), including the Democratic Republic of the Congo (DRC) and adjoining countries, as such minerals may be contributing to human rights abuses, conflict, and environmental degradation. "Conflict Minerals" as defined by EU Regulation 2017/821, are tin, tantalum and tungsten, their ores, and gold originating from CAHRAs (collectively known as 3TG).

Scope and Applicability

This policy applies to all divisions of Knorr-Bremse, and all suppliers involved in the supply chain of products that may contain Conflict Minerals.

Due Diligence

While Knorr-Bremse is not a direct importer of conflict minerals, the objective of this Policy is to address the concerns related to Conflict Minerals in line with the EU Regulation 2017/821 and international standards. Furthermore, Knorr-Bremse seeks to support our clients' and other stakeholder's efforts to conduct annual due diligence filings and Reasonable Country of Origin Inquiry (RCOI) based on the goals and objectives of Section 1502 of the Dodd-Frank Act.

Knorr-Bremse has therefore designed its due diligence measures in accordance with the Organisation for Economic Co-Operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (CAHRAs). Knorr-Bremse has voluntarily expanded its supply chain compliance activities by including cobalt and mica in its due diligence program. At present, we are taking measures to further expand our due diligence to include specific minerals in our supply chain identified as having originated from other Conflict Affected and High-Risk areas. Knorr-Bremse participates in industry initiative (Responsible Minerals Initiative) and uses the Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) to gather and exchange supply chain information.

Governance and Accountability

The Sustainability Purchasing Team is responsible for overseeing the implementation and enforcement of this policy. This includes conducting regular audits, assessments, and reporting to senior management.

Commitment

Knorr-Bremse is committed to proactively removing minerals in its products and supply chain should any be identified to be contributing to conflict. The aim is to ensure that only "conflict-free" materials and components are used in products that we manufacture, while considering the possible adverse impact, and continuing to support responsible in-region mineral sourcing from Conflict-Affected and High-Risk Areas.

Knorr-Bremse continues to promote transparency in the supply chain regarding the sourcing of minerals. We commit to continuously improving our due diligence practices and staying updated with evolving regulations and standards. Regular training programs and support are offered to suppliers to ensure compliance.

Expectations towards Suppliers

Knorr-Bremse strives to buy from companies that share our values and commitment to human rights, ethics, and environmental responsibility. We require our direct suppliers to:

- Provide SOR (Smelter or Refiner) sourcing information for relevant minerals, upon request, using CMRT and EMRT
- Source from conformant or active SORs, that have been validated through third party accredited audits such as: RMAP, LBMA or RJC
- Cascade requirements to upstream suppliers
- Create a policy for responsible mineral sourcing consistent with OECD Guidance
- Adhere to Knorr-Bremse's Supplier Code of Conduct.

Grievance Mechanism

Knorr-Bremse provides a mechanism for stakeholders to report concerns or violations related to the sourcing of Conflict Minerals. Reports can be made anonymously through Knorr-Bremse compliance website or can be emailed to compliance@knorr-bremse.com.

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