

***Supplier Code of Conduct:
Berliner Verkehrsbetriebe
(BVG) AöR***

BVG

WEIL WIR DICH LIEBEN.

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Together for a

better future.

Introduction

As a public transport company, the BVG bears special responsibility for the people of today and tomorrow. In a complex and interconnected world, this responsibility does not end at the city boundary. Therefore, our commitment is to put people at the centre of our actions. This includes not only the approximately 3.7 million people in our city and the more than 15,000 people at the BVG, but especially all those who work with and for us throughout the supply chain. Consequently, sustainability is firmly embedded in our corporate strategy.

Recognizing our corporate responsibility, we commit to upholding human rights, protecting the environment, and limiting adverse impacts on both people and the environment in our supply chains. To formalize this commitment, we have established a binding framework in the form of the Supplier Code of Conduct (SCoC), outlining minimum requirements for social and environmental responsibility, as well as the business conduct of our suppliers. It is our aspiration to meet this responsibility collaboratively with our suppliers, and we expect them to share this responsibility.

The SCoC is based on national laws and regulations as well as international conventions, such as the United Nation's Universal Declaration of Human Rights, along with the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, which define civil, political, and social rights inherent to all individuals. Additionally, the SCoC aligns with the Fundamental Principles and Rights at Work of the International Labour Organization encompassing freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour, the elimination of discrimination in respect of employment and occupation; and a safe and healthy working environment.

1 Principles

The BVG expects suppliers to comply with the requirements formulated in this SCoC and to appropriately articulate the human rights-related and environmental expectations towards their own supply chain suppliers.

We expect them to observe all applicable laws and regulations and take proactive steps to prevent social and environmental damage on their own initiative. Furthermore, we generally expect effective corrective actions to be taken in the event of such harm. In some countries, business sectors, or markets, stricter regulations than those set out in this SCoC may exist. In these cases, the stricter regulations apply.

2 Social responsibility and human rights

We bear a high social responsibility for the protection of our employees. Compliance with human rights and both good and safe working conditions are absolute prerequisites for responsible business conduct. Therefore, we expect the same from the suppliers in our supply chain.

♥ Prevention of forced labour

All work must be voluntary and employees must be able to terminate their work or employment relationship at any time. Suppliers must not engage in, participate in, or benefit from forced labour, modern slavery, human trafficking, or work carried out under threat of penalty or coercion. Likewise, bonded labour or involuntary prison labour must not be used.

♥ Prevention of child labour

Child labour must not be tolerated or supported in any way and is prohibited under all circumstances at all stages of the supply chain. Suppliers are required to comply with the two fundamental ILO Conventions on child labour and the minimum age for employment according to national law.

Compulsory education obligations of young employees must be considered. If child labour is detected among suppliers, they must document the measures taken to remedy the situation and enable children to attend school.

♥ Fair remuneration

Remuneration must meet the minimum legal requirements and correspond to the industry-standard level. In the absence of relevant legal standards in the respective country, the remuneration should be determined to cover the basic needs according to the ILO Convention on Minimum Wage Fixing. Employees must be clearly informed in a suitable and understandable manner about the basis on which they are remunerated before starting the employment relationship. All legally mandated and agreed-upon benefits must be provided to employees.

♥ **Compliance with working hours**

Suppliers are prohibited from requiring employees to work longer hours than allowed by the maximum number of hours permitted according to international standards, including the conventions of the International Labour Organization on standard working hours, national laws, or freely negotiated and lawful collective agreements, with the stricter regulation taking precedence. Suppliers must ensure that overtime is only ordered within the framework of national laws.

Working hours must not habitually exceed 60 hours per week, including overtime. Sufficient breaks and rest periods according to laws, industry standards, and collective agreements must be ensured. This includes at least one day off per calendar week.

If, exceptionally and for special reasons, this is not the case, employees must be given adequate compensatory rest days within a reasonable period of time. The conditions of employment, including working hours, must be known to all employees.

♥ **Freedom of association**

The right of employees to freedom of association, collective bargaining, and peaceful assembly must be respected, including the right to refrain from such activities. Suppliers must comply with the respective applicable national laws and responsibilities and international standards, such as the norms of the International Labour Organization, whichever regulation is stricter.

♥ **Diversity and non-discrimination**

Employees must be treated fairly and with respect. Therefore, no form of direct or indirect discrimination in the workplace that contradicts the idea of equal opportunity and equal treatment is tolerated.

Ethnic origin, skin colour, gender, sexual orientation, language, religion, or belief, political or other views, national or social origin, financial situation, birth, age, health status, disability(ies), or other reasons must not be grounds for preference or unjustified unequal treatment in the workplace. Suppliers must promote diversity, equal opportunity, and equal treatment in employment and occupation. This also applies explicitly to the full and effective participation and equal opportunities of employees in taking on leadership roles at all levels, as well as to the payment of unequal remuneration for work of equal value.

Suppliers must not apply physical punishment, psychological or physical coercion, or any form of abuse, harassment, or threat of such measures, nor may they tolerate such behaviour among their employees towards other employees.

♥ Occupational health and safety

By establishing and implementing appropriate occupational safety systems, the necessary preventive measures are taken against accidents and health damage that may occur in connection with the work. In addition, employees are regularly informed about applicable health and safety standards and safety measures and are trained accordingly. The implementation of training is systematically documented.

Employees must be provided with access to an adequate amount of drinking water and to clean sanitary facilities.

It is also the responsibility of each supplier to provide, free of charge, appropriate personal protective equipment to its employees and to instruct its employees in their use. This instruction is to be documented.

♥ Complaints procedures

Suppliers establish an effective complaints procedure in their own company for individuals or communities that may be affected by adverse impacts. The established complaints procedure must be publicly accessible.

If suppliers are unable to set up an anonymous complaints procedure, employees must be informed about the BVG's anonymous [complaints procedure](#).

The handling of complaints should be systematic, traceable, and documented.

♥ Behaviour towards employees

Disciplinary measures must in no way violate the dignity and rights of employees and must be in accordance with applicable law. Disciplinary measures taken are generally to be documented in writing. Employees who make a complaint in good faith based on actual or suspected violations of this SCoC or relevant laws must not be subjected to any form of disciplinary measures or other intimidation attempts.

♥ Handling of conflict minerals

For conflict minerals such as tin, tungsten, tantalum, and gold, as well as other raw materials such as cobalt, the company must establish processes in accordance with the guidelines of the Organisation for Economic Co-operation and Development (OECD) for the fulfilment of due diligence to promote responsible supply chains for minerals from conflict and high-risk areas. The company also expects its suppliers to adhere to these principles.

3 Environmental responsibility

Environmental and climate protection is a key focus of our business activities. The BVG expects its suppliers to share this focus and to make the best possible contribution to environmental and climate protection. In principle, all applicable environmental protection laws and regulations must be observed and all necessary environmental legal permits, regulatory approvals, and registrations must be obtained and maintained.

♥ **Treatment and discharge of industrial wastewater**

Wastewater from operational processes, manufacturing processes, and sanitary facilities must be classified, monitored, checked, and treated before discharge or disposal. In addition, steps should be introduced to reduce the generation of wastewater.

♥ **Handling of air emissions**

General emissions from operational processes (air and noise emissions) and greenhouse gas emissions must be classified, routinely monitored, checked, and treated if necessary before their release. Suppliers should also find cost-efficient solutions to minimise emissions.

Suppliers must provide documents on their handling of greenhouse gas emissions upon request.

♥ **Handling of hazardous substances**

Suppliers must follow a systematic approach to identify and manage chemicals and other materials that pose a hazard to the environment when released. This includes ensuring safety in handling these substances – including the transport of dangerous goods, protective measures, storage, and use.

Compliance with the Basel, Minamata, and POP Conventions is mandatory.

♥ **Waste management**

Suppliers follow a systematic approach to identify, classify, handle, reduce, and responsibly dispose of waste. Hazardous substances that pose an environmental threat during disposal are identified and managed in a way that ensures safety in handling these substances, including transport regulations, storage, use, recycling, or reuse, and disposal.

♥ **Reduction of raw materials and resource use**

The use and consumption of resources during production or maintenance and repair, including water and energy, as well as the generation of waste of any kind, is to be reduced or avoided. This is implemented either directly at the point of origin or through appropriate procedures and measures, such as changing production and maintenance processes or company processes, using alternative materials, saving, recycling, or reusing materials.

♥ **Handling of energy consumption and energy efficiency**

Energy consumption must be monitored and documented. Cost-efficient solutions are to be found to improve energy efficiency and minimise energy consumption.

4 Ethical business practices

Honesty, fairness, and integrity guide our actions. We expect the same from our suppliers.

♥ **Business integrity, bribery, and accepting undue advantage**

All business activities must be conducted in compliance with all relevant laws, regulations, internal policies, contractual obligations, and voluntary commitments. Suppliers must refrain from all forms of bribery, corruption, extortion, fraud, embezzlement, theft, tax evasion, money laundering, and misappropriation and adopt a zero-tolerance policy. Monitoring and enforcement procedures must be in place to ensure compliance with anti-corruption laws.

♥ **Antitrust and competition law**

Standards of fair dealing, fair advertising, and fair competition must be observed. In addition, compliance is required with applicable antitrust laws, which prohibit, among other things, agreements and other activities that affect prices or terms between competitors. These laws also prohibit agreements between customers and suppliers that restrict customers' freedom to set their own prices or other terms and conditions of resale.

♥ **Conflicts of interest**

Our suppliers disclose potential or actual conflicts of interest and resolve them as soon as possible.

♥ **Confidentiality and data protection**

In all business processes, suppliers are committed to handling all personal data entrusted to them by their clients, suppliers, customers, consumers, and employees in a responsible and lawful manner. This includes confidential trade secrets, sensitive information, and special security information. When processing data, suppliers must comply with applicable data protection and information security laws.

Discretion is the basis of a trusting relationship; suppliers must also treat the BVG's internal business information as confidential. We also treat suppliers' confidential information with the same care and protection as our own business and trade secrets.

♥ **Intellectual property**

Intellectual property rights must be respected. Technology and know-how transfer must be conducted in a manner that protects intellectual property rights and customer information.

5 Implementation of requirements and cooperation

To ensure compliance with the principles set forth in this SCoC, suppliers provide, upon request, all information and necessary resources requested for determining compliance with these principles. Suppliers must inform BVG immediately as soon as knowledge or reasonable suspicion arises that the suppliers, whether by themselves or subcontractors, have not adhered to the principles. This information includes corrective action already taken to restore compliance. In addition, suppliers promptly provide all information necessary for compliance with applicable regulations. In the event of actual or potential violations of the principles in their own operations or supply chains, a specific remediation plan must be submitted to BVG, agreed upon, and implemented in a timely manner.

BVG is entitled to conduct or arrange for on-site inspections and audits at suppliers and their subcontractors to effectively assess compliance with the principles by suppliers and their subcontractors. If there are indications of non-compliance with the SCoC, these audits may also be carried out without prior notice during normal business hours at the premises of the suppliers, at construction sites, or at other locations where services are provided on behalf of the suppliers by BVG or third parties commissioned by them.

The suppliers acknowledge that the BVG has the right to request and receive further information on corporate social responsibility (CSR) or sustainability issues by means of self-disclosure by the suppliers, if deemed necessary. At the request of BVG, suppliers provide information about measures taken to ensure compliance with the principles.

If a supplier identifies a violation of this SCoC in his own business or in the supply chain, or if he has reliable information about the possibility of such a violation, BVG must be immediately informed in writing. Subsequently, an improvement plan must be submitted and implemented in a timely manner, with documentation of implementation.

The provisions of this SCoC represent the minimum standard that BVG expects from its suppliers. In addition, BVG expects efforts to exceed international minimum standards, align with established best practice models established in the respective industry, and to continuously improve and further develop conditions within the supplier's organization.

6 Consequences

BVG emphasises cooperative collaboration in complying with this SCoC. In the event of violations, suppliers generally have the opportunity to take corrective measures within a reasonable timeframe to end or mitigate the violations. The corrective measures required in each case will be agreed jointly. The supplier is obliged to cooperate actively in this process. In the event of serious violations (in particular criminal offences), BVG reserves the right to impose appropriate sanctions against the supplier concerned.

7 Contact and reporting violations

Our whistleblower system can be used to report suspected compliance violations or corruption and complaints relating to risks or violations in the observance of human rights and environmental protection in complete confidentiality – and anonymously at the request of the whistleblower – in the following ways:

- in person to the BVG compliance officer
- compliance@bvg.de
- Ombudsperson

More information can be found at <https://unternehmen.bvg.de/compliance-en/>

Legal information

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