



Policy Statement

Supply Chain Due Diligence Act

The holding company Versorgungs- und Verkehrsgesellschaft Hannover mbH (“VVG”), as the parent company of enercity AG, ÜSTRA Hannoversche Verkehrsbetriebe AG, and Infra Infrastrukturgesellschaft Region Hannover GmbH, considers the upholding of human rights and environmental standards according to the regulations of the German Supply Chain Due Diligence Act (LkSG) to be an elementary and obligatory part of its code of business conduct and ethics. We and our subsidiaries are responsible for complying with the legal regulations of the Supply Chain Due Diligence Act within the company and in business relationships with suppliers and their upstream suppliers. In addition, our subsidiaries have set up an appropriate and effective risk management system within the meaning of the Supply Chain Due Diligence Act in order to comply with the necessary best endeavors obligations and the defined due diligence obligations.

Overarching responsibility for implementation has been transferred to the human rights officer at VVG Versorgungs- und Verkehrsgesellschaft Hannover mbH.

Our subsidiaries are responsible for performing the annual and ad hoc risk analyses of direct suppliers (and of indirect suppliers if necessary). They establish appropriate preventive measures and initiate remedial measures as necessary. They are also responsible for implementing their respective policy statements in their supply chains. Employees in the relevant areas receive appropriate training for this. Procurement strategies and purchasing practices are adapted continuously on the basis of the risk analysis and its prioritized results. Control mechanisms are designed to support adherence to the statutory due diligence obligations in the course of the year.

Our subsidiaries purchase goods and services from a large number of suppliers. The vast majority have their headquarters here in Germany or elsewhere in the European Union, where there are strict regulations in place in respect of adherence to human rights and environmental standards. Our subsidiaries do not place orders with companies that to their knowledge violate statutory regulations. This applies in particular to violations of human rights and environmental legislation. Our subsidiaries’ suppliers are obligated to comply with the principles of this regulation. These principles define the minimum requirements of the Supply Chain Due Diligence Act that our subsidiaries expect suppliers and sub-suppliers to meet. The requirements refer explicitly to the protected legal positions with the human rights and environmental obligations of the Supply Chain Due Diligence Act that must not be violated.

Our subsidiaries are prepared to work together with their suppliers if necessary to meet the requirements of these principles and to improve standards. These principles will be incorporated into their invitation to bid conditions and will be taken into account in the award decisions. To that end, suppliers also have to exert influence on their upstream suppliers and work to ensure compliance along the supply chain by means of appropriate measures. With this, all suppliers in particular undertake to observe the aforementioned principles and the relevant laws of the countries in which they operate and address them appropriately along the supply chain.

Consequences of noncompliance

Insofar as a violation of the supplier’s obligations has already occurred or is imminent, the supplier will immediately take appropriate remedial measures to prevent or terminate this infringement or to minimize its extent. If the violation of a human rights-related or environmental obligation cannot be stopped in the foreseeable future, the supplier will report this to the subsidiary. A concept for terminating or minimizing the infringement must be devised and implemented without delay.

In particular, the customer may take the following measures vis-à-vis direct suppliers, who are obliged to participate in them:

- Joint elaboration and implementation of a plan to end or minimize the violation with the company that has caused it
- Joining forces with other companies within the scope of industry initiatives and standards to increase the ability to influence the company responsible for the violation
- Temporary suspension of the business relationship during the endeavors to minimize the risk

The business relationship may be terminated if:

- the violation of a protected legal position or an environment-related obligation is considered to be very serious,
- the implementation of the measures elaborated in the concept has not yielded a solution after the period specified in the concept has elapsed,
- no milder remedies are available and increasing the pressure on the supplier does not appear promising.

The above requirements notwithstanding, the contractual relationship with the supplier may be terminated for cause if the supplier is proven to be culpably in breach of human rights-related or environmental obligations or in serious repeated breach of other obligations under these principles. Prioritized human rights and environmental risks will be identified within the scope of the risk analyses performed by the subsidiaries.

Management

VVG Versorgungs- und Verkehrsgesellschaft Hannover mbH

Complaints procedure

The complaints procedure of VVG Versorgungs- und Verkehrsgesellschaft Hannover mbH makes it possible for people to point out human rights and environmental risks as well as violations of human rights and environmental obligations arising through the business activities of our subsidiaries.

Please send your complaints to the following address, stating who you are and the facts of the case, and provide as much detail as possible in your report.

Menschenrechtsverantwortlicher@enercity.de

The office responsible will confirm receipt of your complaint in writing and a discussion will follow.

VVG Versorgungs- und Verkehrsgesellschaft Hannover mbH and its subsidiaries will ensure that the identities of the persons involved remain confidential and that these persons are not discriminated against or punished for their involvement in making the complaint.