

STATEMENT ON OECD GUIDELINES

The OECD Guidelines for Multinational Enterprises came into effect in 2011 and provide principles to help companies promote responsible corporate behavior. The guidelines cover topics such as human rights, labour relations, environmental protection, anti-corruption and consumer affairs. They emphasize the need for transparency, stakeholder engagement and responsible corporate governance. The guidelines encourage companies to achieve positive impacts on society and the environment by implementing sustainable business practices and acting responsibly in their supply chains.

With this declaration, Stadler Rail Group („Stadler“) fully commits to compliance with the OECD Guidelines for Multinational Enterprises. We are committed to responsible business practices based on ethical principles, transparency, human rights, environmental protection and fair business practices. Through active participation, regular evaluation and continuous improvement, we strive to make a positive contribution to the sustainable development of the communities in which we operate.

1 Scope of application

Stadler is committed to taking into account the OECD Guidelines for Multinational Enterprises both within its own organization and along the supply chain. This includes ensuring that we also encourage suppliers to comply with the guidelines in order to promote social and environmental standards along the entire value chain.

1.1 Organisational structure and supply chains of Stadler

Stadler provides a comprehensive range of vehicles in the heavy rail and urban transport segments: high-speed trains, intercity trains, regional and commuter heavy rail trains, underground trains, tram trains and trams. Stadler also manufactures mainline locomotives, shunting locomotives and passenger carriages. The tailor-made sector is another important market segment in which Stadler has grown considerably on a global scale and we remain the world's leading manufacturer of rack-and-pinion rail vehicles. Stadler also provides solutions and services in the areas of service and signalling to ensure efficient, digital and sustainable rail transport.

Stadler has core production and components plants as well as engineering and signalling sites in Europe, the CIS region and the United States. For our service business, we operate service locations worldwide.

Stadler's extensive supply chain covers a large number of suppliers in many countries across the world. Our suppliers provide materials, specific components, IT, communications equipment and services, office and workshop cleaning, maintenance services, transportation, couriers, marketing such as merchandise supplies, office equipment and supplies, and professional services such as auditors, legal counsel, banks, insurers and recruitment agencies.

2 Policies

This policy statement is in accordance with further documents of Stadler, in particular:

- Code of Conduct (CoC)
- Code of Conduct for Business Partners (CoC BP)
- Slavery and Human Trafficking Statement 2022

In addition to the OECD guidelines, Stadler also respects in particular the United Nations Guiding Principles on Business and Human Rights (UNGP), the UN Convention on the Rights of the Child and the ILO Conventions.

2.1 Human Rights

Stadler respects and protects human rights wherever we conduct business in accordance with the United Nations Framework for Business and Human Rights "Protect, Respect and Remedy". The primary goal is to prevent negative impacts on human rights and if these occur, Stadler addresses them and endeavors to take corrective actions.

2.2 Labour and Social Relations

Stadler complies with applicable national legislation and international standards on employment practices and labour relations, in particular the ILO Conventions on forced labour, child labour, discrimination, freedom of association and the right to collective bargaining. This includes supporting local economies and communities in the areas of our foreign production sites. We promote fair employment, safety and health as well as cooperation with employee representatives. All Stadler locations act in accordance with the legal requirements for occupational health & safety, in addition, the majority of Stadler locations¹ have an occupational health and safety management system according to ISO 45001.

2.3 Environment

Stadler respects the international agreements, principles, goals and standards for the protection of the environment, public health and safety. We strive for continuous improvement of our environmental results and we communicate our impact and progress transparently. The majority of Stadler locations have an environmental management system according to ISO 14001. The remaining locations plan to implement such a system by 31.12.2023.

2.4 Anti-bribery and anti-corruption

Stadler actively encourages the fight against bribery and corruption in accordance with the United Nations Convention against Corruption (UNCAC) and other international guidelines. We do not accept any unauthorized benefits, neither do we offer them to business partners or independent third parties. The prohibition of bribery and corruption are elementary aspects of our internal Code of Conduct as well as the Stadler Code of Conduct for Business Partners.

2.5 Consumer affairs and interests

Stadler respects and protects the rights and interests of consumers by providing high quality, safety and the best possible environmental compatibility of our products. We distance ourselves from misleading and unfair business practices.

2.6 Technological progress

Stadler develops innovative products and technologies and, where reasonable, promotes the exchange and collaboration with local communities in order to have a positive impact on global sustainable development.

2.7 Competition law

Stadler respects and complies with all applicable competition law provisions and regulations. We prohibit anti-competitive agreements and support the competition authorities in enforcing this prohibition and any inquiries.

2.8 Taxes

Stadler complies with the tax laws and regulations of the countries in which we operate and has an appropriate accounting, supervisory and risk management system. We act responsibly and disclose our relevant information about finances and assets.

3. Due Diligence, Assessment and Management of Risk and Performance

3.1 General

Stadler is monitoring and evaluating its risks in order to develop proper mitigation actions and processes. It ensures that all local, national and international laws, directives and regulations as well as Stadler's internal standards are followed. Stadler has adopted a CoC BP which requires any signatory party to obey the aforementioned laws and directives.

¹ Currently not ISO 45001 certified: Berlin and Stadler Signalling locations.
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3.2 Implementation and assessment at Stadler

Stadler implements the aforementioned guidelines in our business practices and internal processes throughout the group, in particular in our management systems, our recruitment and development process, our internal and external communication, our quality and risk management system and corporate governance. We ensure the effectiveness of the processes through external assurance and regularly report on risks, measures and progress.

3.3. Business Partners

Stadler's Business Partners (including suppliers) are required to sign the CoC BP before an order is placed with them or before a contract is signed. In the CoC BP Stadler bans forced labour, child labour, human trafficking and slavery and requires that they comply with the legal provisions and international standards relating to the environment, safety, health, consumer protection and competition. Stadler's Business Partners are also required to ensure enforcement of the CoC BP in their supply chain. For violations of the CoC BP by a Business Partner Stadler reserves the right for adequate sanctions against the respective Business Partner.

3.4 Monitoring

Stadler continuously evaluates and monitors its programs to ensure all actions are consistent with industry standards. Through such evaluation and monitoring Stadler seeks to ensure that its own business and its supply chains comply with the OECD Guidelines, in particular the prohibition of child labor and forced labour, compliance with employment standards, anti-discrimination, anti-bribery and anti-corruption, the avoidance and reduction of negative environmental impacts and respect for consumer and competition law.

4. Training

Stadler will in future offer appropriate knowledge-building measures for the implementation of the actions described above during the onboarding of new Business Partners and as part of the regular assessments for target groups in all relevant areas of the CoC BP. Stadler also offers its employees regular training on the aforementioned areas of action.

Stadler Rail Group



Peter Spuhler
Chairman of the Board



Markus Bernsteiner
Group CEO