

STATEMENT

REGARDING MODERN SLAVERY ACT 2015 SEC. 54



init

The Future of Mobility

1) INTRODUCTION

This statement is made by INIT Innovations In Traffic Systems SE in accordance with Section 54 of the Modern Slavery Act of 2015 on behalf of it and its UK subsidiary, and sets out the actions taken by the INIT Group in to preventing and combating slavery and human trafficking in its supply chain and businesses in the 2021 financial year.

2) OUR BUSINESS

Since 1983, INIT has evolved from a university spin-off to the world market leader for ITS solutions in public transportation. Everything we do is based on our objective to be the most innovative, reliable and sustainable supplier. Our head office is in Karlsruhe, Germany, but we have global presence to provide our customers with a first-class service. We hold more than 30 subsidiaries and offices around the globe, including Canada, the USA, Singapore and the UAE.

INIT is the worldwide leading supplier of integrated planning, dispatching, telematics and ticketing systems for buses and trains. For more than 35 years, INIT has been assisting transport companies in making public transport more attractive, faster and more efficient.

INIT acknowledges that there is a risk of slavery and human trafficking occurring within its business and supply chain, and is committed to taking steps to prevent this.

This statement applies to all companies within the INIT Group.

The full company structure can be found under:

https://www.initse.com/fileadmin/user_upload/Content/2_Company/1_Organization/INIT_Organigramm_de.pdf

3) OUR SUPPLY CHAIN

In carrying out its business INIT relies on a large network of suppliers and works with a wide variety of subcontractors. INIT's suppliers come from different sectors/branches of industries, such as electronics, manufacturing and services.

Prior to contracting with a new supplier, INIT conducts a thorough review of its working standards and conditions to ensure these align with INIT's values and best practice.

4) POLICIES AND DUE DILIGENCE PROCESSES

INIT believes in its responsibility to respect human rights and has explicitly integrated this into its Ethical Guidelines, which are the principles by which we conduct our business. The Ethical Guidelines can be downloaded from the INIT website:

https://www.initse.com/fileadmin/user_upload/Content/PDFs/Ethical_Guidelines.pdf

INIT also expects its suppliers and subcontractors, as well as all business partners, to act in accordance with these guidelines.

To identify and mitigate risk, INIT has implemented the following measures in its supply chain, which are reviewed on a regular basis:

- INIT is committed to ensuring minimum labour conditions in its supply chains, including the prevention of slavery and human trafficking.
- In INIT's General Terms and Conditions of Purchase, INIT requires compliance with applicable laws, regulations and guidelines. Furthermore, suppliers agree to comply with INIT's Ethical Guidelines and to ensure that they are also enforced with its suppliers
- The Modern Slavery Act is referenced in INIT's General Terms and Conditions of Purchase to emphasize the importance for the company to respect human rights. INIT's objective is to maintain and continue to establish ethically, morally and legally irreproachable conduct in all areas of the company.

- Each new employee is made aware of the Ethical Guidelines and Codes of Conduct and is required to follow and abide by them. In addition, the Ethical Guidelines are presented to employees at a company meeting at least once a year and thus kept in the employees' minds.
- INIT's Managing Board maintains an active exchange with the management of all the consolidated companies. Once a year, the Managing Board members meet with the managing directors of the group companies. At this annual management meeting, general compliance topics, and the Code of Conduct in particular, are brought to the attention of management, in order to establish it further amongst the group companies and their employees.
- A whistleblowing system has been established on INIT's website through which employees and third parties can anonymously report possible violations of applicable law or corporate principles.
- Prior to establishing relationships with suppliers based abroad, the level of risk is assessed by considering the country's political climate and ensuring that any legal standards align with INIT's own values and ethics. As a standard INIT prefers to source locally and aims at sourcing from countries with high regulatory standards, in particular regarding employment law, that contribute to identify and mitigate risk.

5) TRAINING

At INIT, we want to create an environment in which employees can reach their full potential to establish and expand the specific competencies that are required to implement and respect our corporate strategy and objectives. As part of this, upon joining the company, every employee undergoes a 6 to 12-week orientation and training program. One of the main topics is to communicate INIT's values, particularly the Ethical Guidelines and Codes of Conduct. We are in the process of establishing an e-learning module for our employees specifically around the recognition and prevention of slavery and human trafficking.

6) COVID-19

We understand that some workers may be more vulnerable to modern slavery during the coronavirus pandemic. INIT has adopted government guidelines for Covid-19 secure workplaces and ensure staff wellbeing is considered at all times. These measures includes more flexible working hours to enable employees to cope with pandemic impacts and internal guidelines to assure regular contact to all employees and safeguard their wellbeing even in flexible or remote working environments. Our employees continue to have access to our grievance procedures.


7) NEXT STEPS

We recognise that the fight against slavery and human trafficking is an ongoing process. Accordingly, we are intending to carry out the following over the next financial year:

- Carry out internal reviews to assess the success of our current measures and analyse what other steps could be taken.
- Establish a specific e-learning module to provide additional and ongoing training to employees and raise awareness of the Anti-Slavery and Human Trafficking Policy and Supplier Code of Conduct
- Integrate any further learnings from Covid-19 into our future strategy.

September 7th, 2022


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