

A partnership built on trust

Berlin Hyp

Berlin Hyp Code of Conduct

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Introduction

Our Code of Conduct describes the values, principles and methods that guide the business activities conducted by Berlin Hyp as an important commercial real estate financier in Germany and in selected core markets in Europe. The Code of Conduct includes the commitment made by all employees at Berlin Hyp to treat our customers, sales partners, service providers and other market participants fairly and in accordance with ethical and legal principles. Together with our Sustainability Mission Statement, the Code of Conduct is meant to safeguard and increase the value of the enterprise.

We want our business success to be sustainable, by which we mean the Bank should be able to maintain this success over the long term. In addition to economic aspects, the Bank's business activities therefore also take into account ecological and social aspects. In doing so, we assume responsibility for shareholders, customers, employees and society in a manner that goes beyond what is required by law. This responsibility is also underscored by our stated commitment to the ten principles of the United Nations Global Compact as they relate to human rights, labour standards, environmental protection and anti-corruption measures. More specifically, this means:

Protection of Human Rights, Diversity and Inclusion

One of the goals of our Code of Conduct is to ensure a workplace and

business operations that are free from discrimination. For Berlin Hyp, this means that customers, employees, suppliers, other business partners, etc. are neither offered advantages nor discriminated against on the basis of their:

- ethnicity/ethnic origin,
- skin colour,
- gender,
- language,
- religion,
- political views,
- other views or beliefs,
- nationality,
- sexual orientation,
- social origin,
- wealth or lack thereof,
- circumstances surrounding their birth (place of birth, adoption, etc.),
- any other circumstance.

This policy is also helping us achieve our goal of making a major contribution to the business success of Berlin Hyp by recognising, valuing, incorporating and utilising the diversity displayed by our individual stakeholders.

Berlin Hyp's approach to safeguarding human rights, diversity and inclusion is guided by the relevant legal framework in Germany – for example Article 1(2) of the Basic Law for the Federal Republic of Germany, as well as the General Act on Equal Treatment.

Compliance with the provisions of such laws is supplemented by Berlin Hyp's explicit recognition of international standards for human rights, diversity and inclusion – in particular:

- The United Nations Universal Declaration of Human Rights

- The United Nations Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW)
- The United Nations International Convention on the Elimination of All Forms of Racial Discrimination (ICERD)
- The International Covenant on Economic, Social and Cultural Rights (ICESCR)
- The International Covenant on Civil and Political Rights (ICCPR)
- The four fundamental principles of the International Labour Organisation (ILO), and the ILO's core labour standards, which are derived from these principles:
 - Freedom of association and the effective recognition of the right to collective bargaining
 - Elimination of all forms of forced or compulsory labour
 - Effective elimination of child labour
 - Elimination of discrimination in respect of employment and occupation
- European Convention for the Protection of Human Rights and Fundamental Freedoms

In order to make its commitment to human rights, diversity and inclusion outwardly visible, Berlin Hyp has joined the UN Global Compact and signed the Diversity Charter.

The Supervisory Board has stated that the composition of Supervisory Board committees at Berlin Hyp should generally reflect the principles of diversity. The shareholder representatives on the Supervisory Board are elected by the Annual General Meeting. When proposing candidates for election as shareholder representatives, the Supervisory Board takes particular care to ensure that an adequate share of female candidates are suggested for the vote.

Women are incorporated into the selection process when potential candidates for election to the Supervisory Board are reviewed, whereby an appropriate share of female candidates are also proposed. The

Supervisory Board has no influence on the selection of candidates who are to serve on the Supervisory Board as employee representatives.

When appointing Board of Management members, the Supervisory Board takes aspects of diversity into account and in particular seeks to ensure that an adequate number of female candidates are considered during the selection process. For many years now, Berlin Hyp has been committed to the principle of ensuring equal opportunity and a healthy work-life balance.

If two candidates (male and female) with the same qualifications are considered for a job, preference will be given to the female candidate.

Acting in Accordance with Laws, Directives and Regulations

Berlin Hyp complies with all laws that pertain to its business activities. Our business objectives are achieved in compliance with all statutory requirements, directives and provisions. The internal processes and provisions of our compliance organisation effectively prevent compliance violations. Our compliance organisation staff also provide colleagues with information and advice relating to all relevant legal stipulations and internal guidelines.

Within the framework of their set tasks, each individual employee has an obligation to ensure that they are aware of, and comply with, all relevant and current requirements. Managers in turn have the obligation to lead by example and offer advice and guidance to employees on all questions, suggestions and concerns they may have with regard to ethical behaviour and actions.

We take active measures in the fight against economic and financial crime. Any suspicion of money-laundering, the financing of terrorism, and other criminal acts is investigated with all available means. Berlin Hyp has no business relationships with enterprises or individuals that have been placed on generally recognised exclusion lists due to their involvement in economic or financial crimes. Here, Berlin Hyp takes into consideration the World Bank Listing of Ineligible Firms & Individuals, the HADDEX sanctions list and the Transparency International Corruption Perceptions Index, all in their most recent versions.

Berlin Hyp's Compliance Provisions prohibit any form of granting or accepting advantages or benefits. Fairness and respect are defined as the basis for our conduct on the market and our dealings with competitors, whereby the preparation or arrangement of agreements to restrict competition are prohibited. Our Gifts Policy imposes strict limitations on the acceptance or issuing of gifts, invitations to meals or invitations to events in order to avoid even the appearance of a conflict of interest or a constraint on staff impartiality.

Berlin Hyp has established a whistleblower system that enables suspected illegal or unethical actions to be reported confidentially if other communication channels have proved less effective or inappropriate. The whistleblower hotline can be used by employees, customers, subcontractors, suppliers and others who have a business relationship with Berlin Hyp (for more information, please visit the [Berlin Hyp website](#)).

Risk culture is very important at Berlin Hyp, particularly in relation to the Bank's core business. All employees thus need to be aware of risk-related issues and topics. The goal of an effective risk culture is to establish a basic knowledge of the risk landscape and an adequate degree of risk consciousness in terms of the way Berlin Hyp employees behave when they encounter opportunities and risks. This also makes it possible for Berlin Hyp to ensure that borrowers are treated fairly and in accordance with their financial situation, and that the credit products they are

offered are designed in a responsible manner. This approach is also in conformance with the guidelines of the European Banking Authority (EBA/GL/2017/11, EBA/GL/2020/06).

Our Responsibility as an S-Group Partner of the Savings Banks

In addition to our responsibility as an important commercial real estate financier in Germany and in selected core markets in Europe, we occupy a special market position as an S-Group Partner of the Savings Banks Finance Group. Our close cooperation here is considered to have significant strategic importance, which is why we specifically structure our range of products and services in line with the requirements of the Savings Banks Finance Group as well. In particular, we make ourselves available to the savings banks as a reliable and competent partner for high-volume real estate financing transactions.

Berlin Hyp acknowledges and takes into account the four principles of sustainability formulated by the Deutscher Sparkassen-und Giroverband e. V. (DSGV), which are used by the savings banks to define the framework of their social responsibility. These DSGV principles involve the commitment to the public and social mission of the savings banks, the obligation to place the financial sector at the service of people and the economy, and the conservation of resources. The principles are also designed to promote sustainable prosperity and a better quality of life in local communities.

Consideration of Environmental and Social Issues

We are aware of our responsibility for sustainable development. For us, sustainability means not only reducing our carbon footprint, as we also believe we have a responsibility to make a major contribution to the transformation that is currently under way – not only in terms of ecology but also with regard to the economy and society as a whole. For this reason, we plan to support, facilitate and help finance the transition to a sustainable real estate industry. We are committed to the Paris Agreement and thus also to the Climate Paths of the Federal Republic of Germany.

We seek to minimise the direct and indirect negative impact that our business activities have on the environment and society, and to eliminate this impact where possible, and we also seek to maximise the direct and indirect positive impact of our business activities. In order to meet our responsibilities in this regard and achieve climate neutrality by 2050, we are channelling our capital into sustainable investments, increasing the transparency of our loans portfolio and taking ESG risks more extensively into account in our business transactions and our own investment activities (sustainability in Portfolio A). We are also looking to achieve climate neutrality in our operations within the company.

- Berlin Hyp has adopted an environmental policy that takes into account the relevant requirements of the UN Global Compact, the ZIA Sustainability Code and the four sustainability principles of the Deutscher Sparkassen-und Giroverband e.V. The environmental policy is implemented within the framework of an externally validated environmental management system that complies with the European environmental management standard EMAS (EMAS Regulations 1221/2009, 2017/1505 and 2018/2026).
- Berlin Hyp's business activities are conducted in accordance with the principles defined by the German Property Federation (ZIA) for

the “Financing” sector cluster as they relate to the given business transaction in each case.

- When making real estate financing decisions, Berlin Hyp also determines whether the customer in question has sufficient knowledge of, and experience with, legal requirements relating to planning, construction, environmental protection and nature conservation. Regarding real estate valuation, Berlin Hyp also takes into account certificates issued by generally recognised certification systems such as LEED, BREEAM, HQE and DGNB that assess the sustainability of real estate properties, provided these can have a positive effect on the long-term yield and value of the property or transaction in question. The same applies to special measures implemented to improve the sustainability performance of a property – e.g. the use of green leases.
- As a matter of principle, Berlin Hyp does not finance real estate projects in areas deserving of particular protection. Berlin Hyp defines such areas as those that are listed by name in the following registers:
 - The List of Wetlands of International Importance (the Ramsar List)
 - The UNESCO World Heritage List within the context of the UNESCO Convention Concerning the Protection of the World Cultural and Natural Heritage
 - The UNESCO Biosphere Reserves List within the context of the UNESCO programme “Man and the Biosphere (MAB)” The EU Taxonomy Regulation
- When procuring goods and services, Berlin Hyp AG not only considers economic aspects but also focuses in particular on sustainability as it relates to ecological, sociological and ethical criteria. Berlin Hyp's contractors and suppliers receive an additional document along with their framework agreements and service contracts in which, among other things, they must confirm that they conduct their business in accordance with the ten principles of the UN Global Compact.

Protecting Employees

We respect the rights of all employees, especially with regard to occupational safety, working hours and health. We protect employees against discrimination on the basis of ethnic origin, gender, religion or world view, any disability they may have, age, and sexual orientation or identity, and we also promote cultural diversity in the workforce.

We make it possible for employees to develop further both professionally and personally in line with their work-life balance needs. Our management culture sets itself apart through its creation of an environment in which employees are appreciated, encouraged to focus on goals and their achievement, and are offered long-term security and a high degree of autonomy and decision-making authority. Managers support staff with their development throughout the various stages of their life and careers, and also act as role models in terms of conduct as described in this Code.

Our employees work almost exclusively in Germany, and along with various EU regulations they are therefore also subject to German regulations on labour law, co-determination and the right to freedom of association. Furthermore, employees covered by a collective agreement also enjoy the immediate protection of the collective agreement provisions, since Berlin Hyp is a member of the collective agreement employers' association.

Employees at our locations in other EU countries are subject to EU regulations and the respective national laws and regulations.

In the event that major changes are made to business operations, the notification periods defined by German labour law and the German Co-Determination Act apply. In addition, major changes to business operations must be discussed and agreed upon by management, the Economic Committee and the Works Council. As a rule, we comply with all labour law provisions of the EU countries in which we operate.

Through a series of agreements with the Works Council and the Executive Staff committee, Berlin Hyp has regulated important matters concerning employee rights beyond statutory requirements.

Occupational health and safety and health protection at Berlin Hyp are also organised in accordance with legal requirements or regulated in company agreements. Health and safety risk assessments are conducted on a regular basis in order to ensure a safe work environment that also promotes the health of all employees. There are no positions at Berlin Hyp that pose a significant danger to employees or lead to a higher rate of illness, which means employees do not face the risk of typical occupational illnesses or diseases. In order to prevent the types of conditions that can arise as a result of long periods of sitting at work, we make an extensive effort to ensure that our workstations are designed ergonomically and we also offer our employees preventive occupational health check-ups on a regular basis.

Maintaining the health of our employees and preventing illness are very important to our company. We also support our employee's own efforts to manage and maintain their health. As part of their obligation to take care of employees, managers are also responsible for promoting their employees' health and abilities and taking both into account when assigning them tasks. In accordance with Section 167(2) of Book IX of the German Social Code, our procedures for reintegration management support employees who wish to return to work after being incapacitated. Our reintegration management system also defines measures to help prevent such incapacitation from repeating itself in future, in order to ensure the continuation of the employment relationship over the long term.

Berlin Hyp already had an emergency plan for protecting employees in a pandemic situation even before the COVID-19 outbreak, and this plan was put into action at the beginning of the pandemic. The provisions of the specific plan for COVID-19 supplement the measures stipulated by the German federal government and the state governments (which apply

to the public in general). These provisions are based on the information provided by the Robert Koch Institute (www.rki.de), the stipulations contained in the SARS-CoV-2 Occupational Health and Safety Regulation of the Federal Ministry of Labour and Social Affairs (BMAS) and, in the case of our location in Berlin, the Second SARS-CoV-2 Infection Protection Measures Ordinance. All of our employees are equipped with mobile devices that allow them to work from home or on the move at any time. This policy makes a decisive contribution to reducing the risk of infection among our workforce.

Rejection of Controversial Business Transactions and Business Practices

Ethical aspects are taken into account when potential transactions in the finance and investment realm are evaluated, whereby the principle of ethical responsibility applies here.

To this end, we have developed ethical investment criteria, and we do not make loans to customers and do not invest in enterprises who/which do not meet the defined criteria.

Ethical criteria for financing are derived from the Bank's compliance requirements and the ten principles of the Global Compact. Berlin Hyp's business activities take place exclusively in the High Income OECD Countries in Europe – in other words in countries that have high ESG (environmental social governance) standards and consistently monitor compliance with these standards. When financing projects in these countries, Berlin Hyp therefore takes into account the specific ESG requirements in the given country.

Should Berlin Hyp expand its existing business model and offer financing for projects outside the High Income OECD Countries in future, the customers involved will have to provide separate proof to Berlin Hyp of the secure management of ESG project risks in accordance with the requirements and processes specified in banking industry standards such as the Equator Principles and IFC Performance Standards.

In general, the following principles apply when Berlin Hyp conducts its sales activities:

- Efficiency and effectiveness
- Reliability
- Competence
- Fairness
- Entrepreneurial thinking
- Comprehensive consulting
- Transparency
- Sustainability

For marketing and sales activities, Berlin Hyp also follows the basic principles of the ICC Advertising and Marketing Communications Code (ICC Marketing Code) of the International Chamber of Commerce.

In its guidelines for dealing with tax law requirements, Berlin Hyp has defined rules for legally compliant and secure fulfilment of its tax law obligations, and for efficient management of its tax risks.

Protection of Confidential Information and Data

We treat information from customers and business partners confidentially and only use it for the intended business purposes in each case. Banking secrecy is strictly observed.

In the event that we should receive information protected by law or relevant to the stock price of a listed company in the course of our business relationships, the dissemination of such information will always be limited to authorised individuals in the areas of confidentiality. All information and data are protected in accordance with statutory and internal data protection and compliance provisions and are not used to gain any improper advantages.

Berlin Hyp has organised the protection of confidential information and data in accordance with statutory requirements and has implemented a data protection system on the basis of the Bank's Data Protection Guidelines. Berlin Hyp thus ensures that personal data is handled carefully and in accordance with clear rules and applicable legislation.

Avoiding Conflicts of Interest

Conflicts of interest that can arise for employees as a result of the work they perform are made transparent and either eliminated or effectively managed by means of suitable measures that include the involvement of the Bank's Compliance Officer.

Business relationships with suppliers and external service providers and decisions pertaining to the awarding of contracts are guided by business criteria and other objective criteria. This ensures that objectives relating

to optimal buying conditions, sustainability and suitable quality are achieved.

The requirements for avoiding conflicts of interest and the measures taken to do the same are specified in Berlin Hyp's Compliance Provisions. The latter also specify the principle that all employees must themselves disclose any potential conflict between their professional tasks and other interests, and that their own interests or the interests of third parties may not be connected with professional matters in a way that could disadvantage customers or Berlin Hyp.

Berlin Hyp is clearly committed to compliance with this guideline.

A handwritten signature in blue ink, appearing to read 'Sascha Klaus', is positioned above the name and title.

Sascha Klaus

Chair of the Board of Management of Berlin Hyp AG

A note on the use of the masculine form of persons: For reasons of better readability, the simultaneous use of the language forms masculine, feminine and diverse (m/f/d) is dispensed with. All references to persons apply equally to all genders.