

Group Policy

KR – 39

Policy Statement on Respect for  
Human Rights

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# 1 Preliminary note

As Europe's largest provider of housing, it is key to Vonovia that corporate governance is consistent with ethical principles and the principles of sustainable development.

Vonovia SE affirms its corporate responsibility to respect human rights and is committed to establishing appropriate procedures to respect human rights in its own business activities as well as in the supply chain. We are committed to strict compliance with all locally applicable legal requirements and actively support respect for human rights, the combating of discrimination, fair working conditions, as well as environmental protection - both within our company and with regard to our business partners. Vonovia has corresponding expectations of all its employees and its direct and indirect business partners.

In fulfilling its due diligence obligations in the area of human rights, Vonovia complies with the requirements of internationally recognised human rights reference instruments:

- Universal Declaration of Human Rights of the United Nations
- Core labour standards of the International Labour Organization (ILO)
- European Convention for the Protection of Human Rights and Fundamental Freedoms
- United Nations Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Principles of the United Nations Global Compact (membership since 2020)

Through the Vonovia mission statement, the business philosophy and the Code of Conduct, all employees are committed to respectful, compliant and fair conduct within our company and towards stakeholders. The Executive Board as well as the management staff are particularly responsible for compliance with and the organisational implementation of the provisions in its business operations. The Business Partner Code formulates the specific expectations that Vonovia has of all its business partners and suppliers.

The Act on Act on Corporate Due Diligence in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG) sets the regulatory framework for the compliance of German companies with their human rights and environment-related due diligence obligations. This Group policy constitutes Vonovia's policy statement in accordance with Section 6 (2) LkSG. It is to be reviewed and further developed on an ad hoc basis and at least every two years in order to reflect and take into account changes in Vonovia's human rights and environment-related risk assessment, implementation experience and other relevant developments. This policy is adopted by the Executive Board.

## 1.1 Tasks and objectives of the policy

This policy regulates and describes all procedures implemented by Vonovia to fulfil its human rights and environment-related due diligence obligations. According to LkSG, this includes:

- the establishment of an appropriate and effective risk management system,
- the annual and ad hoc performance of a risk analysis including the identification of priority risks,
- the derivation and implementation of appropriate preventive and remedial measures, including the monitoring of their effectiveness,
- the establishment and operation of a complaints procedure,
- the ongoing documentation and reporting,
- as well as the creation of clearly defined responsibilities.

This policy is intended to create a common understanding within Vonovia's human rights and environment-related due diligence obligations, to incorporate responsibility for respecting human rights and the environment into all corporate functions and to meet the information needs of the stakeholders.

## 1.2 Scope of application

This policy applies directly to all Vonovia Group entities with their registered office in Germany. In addition to the holding company, all companies in which Vonovia has a direct or indirect majority shareholding or can exercise a controlling influence are deemed to be Vonovia Group entities. Individual companies may be temporarily exempted from the application of particular or all Group policies - by resolution of the Executive Board - in order to manage special situations such as recent acquisitions of shareholdings or fundamental organisational changes.

### Foreign companies:

Vonovia Group companies with their registered office abroad are required to adopt these policies. In this context, adjustments are permitted for country-specific deviations with regard to organisational structure and country-specific legal requirements.

## 2 Risk management in the context of the human rights due diligence obligation

Vonovia's business model is the rental of good, contemporary and, above all, affordable housing, the development and construction of new housing and flats for its own portfolio and for sale, and the provision of residential services. These residential services essentially include the provision of multimedia services incl. TV, energy services, automated meter reading and the refurbishment of flats to make them suitable for elderly people. This is complemented by our established caretaker, craftsman and residential environment organisation.

Our entrepreneurial actions are subject to the legal framework of the European Union and the country-specific variants. Our employees are therefore all employed in accordance with the applicable labour and social laws of these countries, without exception.

The risk management in the context of the human rights due diligence obligation includes:

- the regular as well as ad hoc risk analysis including assessment and prioritisation of the risks,
- the implementation of appropriate and effective preventive measures,
- the implementation of appropriate and effective remedial measures,
- the regular review of effectiveness.

### 2.1 Responsibilities

The overriding responsibility for respecting human rights lies with the Executive Board of Vonovia SE. The coordination of the procedures specified in this policy is carried out by the human rights officer, who reports to the Executive Board on a regular basis, at least once a year.

The human rights officer is supported by the due diligence committee, which, besides the human rights officer (from the Compliance department), also includes the nominated due diligence coordinators from the Procurement, Human Resources, Controlling and Sustainability/Strategy departments. The committee meets at least on a quarterly basis and discusses the ongoing fulfilment of Vonovia's human rights and environment-related due diligence obligations and their effectiveness as well as any necessary changes to the procedures.

## 2.2 Risk analysis and priority risks

### 2.2.1 Procedure in the context of risk analysis

The internationally recognised human rights and environmental legislation frameworks describe legal positions that form the basis for Vonovia's risk analysis. These include, among other things:

- the prohibition of child labour, exploitation and human trafficking,
- the protection against slavery and forced labour,
- the freedom from discrimination,
- occupational safety and health and related health hazards,
- the prohibition of withholding an adequate living wage,
- the right to form trade unions or workers' representations,
- the prohibition of causing harmful soil or water pollution,
- the protection against unlawful seizure of land,
- the protection against torture,
- the prohibition of the manufacturing, usage and disposal of mercury-added products, mercury compounds and mercury waste
- and the prohibition of the handling, collection, storage and disposal of waste in a manner that is not environmentally sound.

The regular human rights or environment-related risk analysis covers the company's own business area as well as existing direct business partners which are relevant for significant business processes. Business processes are significant for Vonovia if they are essential for the performance of the business activities of construction, rental and management of housing and flats as well as the provision of residential services. A risk assessment is carried out on an ad hoc basis in the case of company acquisitions and the development of new business models.

The risk assessment of business partners follows a two-stage process and is anchored in the procurement policy (KR-02). Within the framework of an abstract analysis, country- and product group-specific risk indicators are identified with the aid of internal and external sources. This is followed by the concrete identification of risks for the company's own business area as well as the partners in the supply chain. For the assessment and prioritisation of the concrete risks, the following criteria are applied in accordance with Section 5 (2), Section 3 (2) LkSG: severity of the violation of the rights holder (irreversibility, degree and scope), probability of occurrence of the violation, contribution to causation and Vonovia's ability to exert influence. With the aid of expertise from the specialist departments, initial approaches to possible preventive measures are derived with regard to the risks identified.

If there are signs or concrete indications of human rights-related and/or environment-related violations in the company's own business area or in the supply chain, the human rights officer, together with the due diligence committee, examines whether and to what extent an ad hoc risk

analysis is to be carried out. The risk analysis for the company's own business area is covered by the compliance management system which is implemented throughout the Group. In addition, sustainability risks are integrated into the Group-wide risk management system, which is updated on a regular basis.

If human rights-related and/or environment-related indications are received, it is examined to what extent the current risk management takes appropriate account of the respective circumstances. If a need for adjustment is identified, measures are taken to prevent future violations. Vonovia's risk management is subject to constant review and adjustment.

### 2.2.2 Potential risks

The initial examination of the company's own business area and the supply chains has shown that securing the following aspects is a priority for Vonovia:

- Observance of fair working conditions in the company's own business area and in the supply chain (appropriate wages and social security)
- Occupational safety and health protection
- Freedom of association
- Anti-discrimination and equal treatment
- Protection of privacy and data protection
- Removal and recycling of building materials, chemicals containing persistent organic pollutants, and the environmentally sound disposal of waste
- Prohibition of forced and child labour

On this basis, the further risk analysis is carried out as well as the inclusion of existing preventive measures and their further development.

## 2.3 Measures

### 2.3.1 Preventive measures

Vonovia develops and implements preventive measures to avoid potential damage and minimise relevant risks. With our Vonovia-wide compliance management system, the Code of Conduct, the Business Partner Code, as well as the position of the compliance officer which has been set up and which employees and managers can contact at any time, Vonovia has taken measures to effectively encounter potential risks.

As a binding policy, the Code of Conduct regulates aspects such as conduct, corruption prevention, conflicts of interest, protection of information and data, discrimination and environmental protection. It applies equally to all employees and members of the Executive Board and is updated on a regular basis. Employees receive training on the Code of Conduct at least every two years.

The specific cooperation with external partners and service providers is regulated by Vonovia through the Business Partner Code, the general terms and conditions of purchase, the general contractual terms and conditions of Vonovia SE for construction services and individual contractual agreements in the context of a structured supplier management system. In the context of the regular assessment of our key suppliers and service providers via our partner portal, we also pay attention to compliance with the criteria set out in the Business Partner Code, which includes all essential requirements for upholding human rights. Within the framework of the partner portal, social and environmental standards are directly integrated into the supplier selection and approval process.

The implementation of a comprehensive training concept at Vonovia ensures that employees in relevant business areas are sufficiently informed and equipped to fulfil the human rights due diligence obligation. Employees with contact to suppliers and the areas responsible for implementation receive regular training. Furthermore, all employees receive information via the Intranet. For suppliers, business partners and external stakeholders, information on Vonovia's due diligence obligations is also available via various channels.

### 2.3.2 Remedial measures

If Vonovia becomes aware of an existing or imminent violation of a human rights-related or environment-related due diligence obligation in its own business area or at a supplier, appropriate remedial action is taken without delay.

If the violation at a direct supplier cannot be eliminated in the foreseeable future, Vonovia is to immediately draw up a concept to eliminate or minimise the violation, which is to be implemented. A concrete schedule is to be provided for this. Appropriate remedial measures are to be bindingly agreed and initiated in close consultation with the department and the business partner concerned. As a last resort, Vonovia is to terminate the business relationship. In this case, the severity of the violation, the lack of milder remedies, the inability to increase its influence and the failure to remedy the situation through measures after the specified time has elapsed are to be taken into account.

## 2.4 Monitoring of effectiveness

Vonovia has the effectiveness of the preventive and remedial measures implemented as well as of the complaints procedure reviewed regularly by the human rights officer and, if necessary, on an ad hoc basis. In this context, the indications provided via the various complaint channels are also taken into account. If necessary, the measures are updated without delay. The insights gained from the effectiveness review are integrated into the continuous further development of the risk management system.

# 3 Complaints procedure

Vonovia has set up various procedures to enable the reporting of possible irregularities (such as human rights violations, environmental pollution, other unlawful conduct, etc.) by internal and external parties. Through these various channels, employees, customers and business partners are able to report detected or suspected violations without fear of reprisals. Here, it is ensured that the anonymity of the whistleblower is protected. At the Group level, the Compliance department monitors compliance with applicable laws and regulations.

All information on the whistleblower system is available on Vonovia's website in various languages. The procedures, processes and further information are regulated in the whistleblower policy (KR-36).

In case violations are established, it is assessed whether this is an individual violation (which may not be capable of exclusion) or a systematic deficit in the risk management or compliance management system. If the latter condition applies, the systems are reviewed and revised accordingly.

# 4 Documentation and reporting obligation

## 4.1 Internal documentation of the fulfilment of the human rights due diligence obligation

The implementation of the human rights due diligence obligation is continuously documented within the company. The responsibility for this lies with the Compliance department.

## 4.2 Internal and external communication of the policy statement

This Group policy creates a shared understanding of respect for human rights within the Group. The policy statement is communicated internally and externally and is always available on the Intranet as well as on the company website. Suppliers and business partners are informed about the implementation of the human rights due diligence obligation by means of newsletters, among other things.

For the purpose of transparency, Vonovia reports regularly and continuously on the fulfilment of its human rights due diligence obligation. In accordance with Section 10 (2) LkSG, Vonovia also completes the questionnaire issued by the Federal Office of Economics and Export Control (BAFA) on the implementation of the requirements of the Act and publishes it on the company's website by the end of April each year.

In addition, in the context of its sustainability reporting, Vonovia informs its stakeholders about how it deals with key sustainability issues, including opportunities, risks, key figures and target progress. This information can be found in the non-financial statement in the management report, in the sustainability report published annually and on the company website.