

Human Rights Declaration - Helaba's corporate human rights strategy

1. Introduction

This document contains the Human Rights Declaration of Landesbank Hessen-Thüringen Girozentrale (Helaba) on the German Supply Chain Due Diligence Act (LkSG). This declaration was adopted by Helaba's Board of Managing Directors and applies to Helaba's own business area and its suppliers.

Helaba's own business area comprises all locations in Germany and internationally. It also includes Helaba's legally dependent business units, LBS Hessen-Thüringen and Wirtschafts- und Infrastrukturbank Hessen. For the purposes of applying the LkSG, Helaba also includes the following subsidiaries in its own business area over which a determining influence is exercised:

- OFB Projektentwicklung GmbH
- GWH Immobilien Holding GmbH
- BM H Beteiligungs- Managementgesellschaft mbH
- Helaba Gesellschaft für Immobilienbewertung mbH
- Helaba Representação Ltda.
- Helaba Asset Services UC
- Sparkassen-Immobilien-Vermittlungs-GmbH
- HP Holdco LLC
- Helaba Digital GmbH & Co. KG
- Montindu S.A./N.V.
- Frankfurter Bankgesellschaft (Schweiz) AG
- Frankfurter Sparkasse
- Helaba Invest Kapitalanlagegesellschaft mbH

Helaba is committed to the protective positions mentioned in the LkSG with regard to the protection of human and environmental rights. Accordingly, Helaba fulfills its due diligence obligations in accordance with the LkSG and the conventions mentioned therein.

2. Fulfillment of due diligence obligations

Helaba has developed a risk management system to identify, minimize and prevent human rights and environmental risks. To this purpose, corresponding processes have been anchored in the relevant business activities. Helaba has defined fixed responsibilities within the company that are responsible for implementing the due diligence obligations under the LkSG.

a. Performance of risk analyses

Helaba analyses risks in its own business area and at its suppliers. These are carried out once a year and on an ad hoc basis.

In an abstract analysis, possible human rights and environmental risks are identified on the basis of defined risk factors. If risks are identified, a concrete risk analysis is carried out.

Due to its role as a credit institution, Helaba has also prepared a risk inventory with regard to its transactions with banks. The inventory includes custodians and correspondent banks that provide services to Helaba.

Helaba has made an inventory of its direct suppliers. Direct suppliers of affected subsidiaries have also been inventoried. Subsidiaries affected are those that are under the controlling influence of Helaba, see Note I.

b. Prevention measures in the own business area

When risks are identified in its own business area, Helaba takes appropriate preventive measures, in particular:

- the application of the human rights strategy,
- the enforcement of existing internal codes of conduct and their updating as required,
- the development and implementation of appropriate procurement strategies and purchasing practices to mitigate or avoid identified risks,
- the implementation of training in the relevant areas, and
- conducting risk-based monitoring activities to verify compliance with the human rights strategy contained in this policy statement in its own business area.

c. Preventive measures towards suppliers

If risks are identified at a direct supplier, Helaba takes appropriate preventive measures, in particular:

- the consideration of human rights and environmental expectations in the selection of suppliers,
- the binding signing of the supplier code by the direct supplier; the supplier code contains, among other things, contractual assurances on compliance with human rights and environmental requirements,
- the agreement of appropriate contractual control mechanisms as well as the implementation of training and further education to enforce the contractual assurances of the direct supplier,
- the execution of risk-based control measures on the basis of the agreed control mechanisms.

If Helaba obtains substantiated knowledge of a possible violation at indirect suppliers, the following actions are taken on an ad hoc basis:

- Carrying out a risk analysis,
- Establishing appropriate preventive measures towards the responsible party,
- Concept development and implementation to minimize and prevent the human rights or environmental violation; and
- Updating the policy statement as needed.

d. Mitigation measures

When a violation that has occurred or is imminent is identified, Helaba takes appropriate mitigation measures to prevent an imminent violation, to end a violation that has occurred or to minimize its extent. In its own business area, this means the immediate prevention or termination of the violation. With respect to a supplier, the actions to be taken are identified with the responsible parties at the suppliers. This may lead to termination of the supplier contract.

e. Results of the risk analysis

The risks pursuant to the LkSG were analyzed and prioritized according to the type and scope of business activities for Helaba's own business area. An initial abstract risk analysis was based on a survey of experts in Helaba's Human Resources subsegment. No priority risks were identified. The analysis focused on Helaba's own business area within Germany and the branches and representative offices outside Germany. The latter were examined in greater detail in a specific risk analysis. Here, too, no risks of relevance within the meaning of the LkSG were identified.

The scope of application of the LkSG also includes subsidiaries of Helaba that are under a controlling influence, see Note I. As part of the risk analysis, interviews were held with representatives of the subsidiaries concerned.

An initial risk analysis was carried out for Helaba's suppliers. This analysis followed a three-stage approach: 1. The suppliers were assessed on the basis of established indices and statistics. 2. The risks to protected legal positions within the meaning of the LkSG were reviewed and assessed with regard to the country and sector of the suppliers. 3. The suppliers were additionally assessed on the basis of established indices and statistics. In a further analysis of the media, the suppliers were screened in order to uncover other possible infringements of protected legal positions. Prioritization was based on risk flags. With regard to possible country risks, three supplier countries with increased risk were identified. These are suppliers from China, Hong Kong and the United States of America. Helaba's supplier portfolio comprises companies from 52 industries. Two industries (utilities, waste management) were given a risk flag as there may be an environmental risk there with regard to mercury. Ten suppliers were given a risk flag in the media analysis. A detailed analysis did not reveal any specific risks that

Helaba could influence. Risks were prioritized on the basis of the number of risk flags or their appearance in the media analysis.

The risk analysis of the supplier portfolio at Helaba revealed a low number of significant risks. Medium risks were identified in some cases. 81% of Helaba's suppliers did not receive any risk flags in the analysis. This means that there is a human rights and environmental risk, which can be rated as rather low.

A supplier inventory was prepared for the subsidiaries. The review of the inventory revealed a general comparability of the supplier portfolio of Helaba and its subsidiaries. Due to the expected low risk among the suppliers of the subsidiaries and Helaba's greater ability to influence its own contractual partners, the latter were given first priority. The suppliers of the subsidiaries are considered in the risk analysis from the year 2023 onwards.

f. Complaints procedure

Helaba has set up a complaints procedure in order to learn of human rights and environmental risks at an early stage and to be able to offer support and take remedial action in time. Via this complaints procedure, individuals can provide information about a possible human rights or environment-related violation in accordance with the LkSG.

g. Documentation and reporting

The measures taken to comply with Helaba's human rights and environmental due diligence obligations are regularly documented. To that end, an annual report is published on Helaba's website, which is also submitted to the German Federal Office of Economics and Export Control.

3. Annual and ad hoc Review

The effectiveness of the preventive measures, the mitigation measures and the complaints procedure are reviewed once a year as well as on an ad hoc basis.

4. Continuous further development

The policy statement is updated in accordance with the results of regular and incident-related risk analyses, but at least once a year. The Board of Managing Directors of Helaba is responsible for implementing and updating the policy statement.