

**Statement by Landesbank Baden-Württemberg  
on Its Responsibility for Human Rights and the Environment  
in Its Own Supply Chains and Its Own Business Area**

**1. Preamble**

This document is a voluntary statement by Landesbank Baden-Württemberg (LBBW) on its responsibility for human rights and the environment. It pertains to LBBW's own supply chains and its own business area. LBBW's own business area includes its employees. The business areas of affiliated companies on which LBBW exercises a decisive influence (see Annex) are also included in LBBW's own business area.

LBBW is committed to its responsibility for human rights and the environment in its own supply chains and its own business area. Therefore, LBBW will observe the provisions of the German Supply Chain Act (LkSG) and the conventions listed in its annex.

LBBW expects employees in its own business area and its own suppliers to protect human rights and the environment as required by LkSG and described in detail therein. Furthermore, LBBW expects its own suppliers to address this expectation appropriately along the supply chain.

**2. Performance of due diligence**

For the performance of due diligence, LBBW will appoint a risk management team to identify and minimize human rights and environmental risks and to prevent, end, or minimize the extent of violations of human rights and environmental obligations. LBBW will embed appropriate procedures in all relevant business processes:

**2.1. Performance of risk analyses**

Consequently, LBBW will perform risk analyses in its own business area and with regard to its suppliers. The risk analyses will be performed once a year and on an ad hoc basis. An abstract risk analysis will first identify potential human rights and environmental risks on the basis of defined risk factors. If a relevant risk is identified, LBBW will then perform a specific risk analysis.

## **2.2. Preventive measures in LBBW's own business area**

If LBBW identifies a relevant risk in its own business area as a result of the abstract risk analysis, it will take appropriate preventive measures, in particular:

1. The implementation of the human rights strategy set out in the policy statement in the relevant business processes
2. The development and implementation of appropriate procurement strategies and purchasing practices that prevent or minimize the identified risks
3. The delivery of training in the relevant business areas
4. The implementation of risk-based control measures to verify compliance with the human rights strategy contained in the policy statement in its own business area

## **2.3. Preventive measures vis-à-vis suppliers**

If LBBW identifies a relevant risk at a direct supplier as a result of the abstract risk analysis, it will take appropriate preventive measures, in particular:

1. The consideration of expectations regarding human rights and the environment when selecting a direct supplier
2. Contractual assurances from a direct supplier that it will comply with the human rights-related and environment-related expectations required by the enterprise's senior management and appropriately address them along the supply chain
3. Agreeing on appropriate contractual control mechanisms and the implementation of initial and further training measures to implement the contractual assurances made by the direct supplier according to number 2
4. The implementation of risk-based control measures on the basis of the control mechanisms agreed according to number 3 in order to verify compliance with the human rights strategy at the direct supplier

If LBBW obtains substantiated knowledge of a potential violation of human rights or environmental obligations at indirect suppliers, it must without undue delay and as warranted

1. carry out a risk analysis,
2. lay down appropriate preventive measures vis-à-vis the party responsible,
3. draw up and implement a plan to minimize and prevent the violation of a protected legal position or environmental obligation, and
4. update its policy statement accordingly.

#### **2.4. Remedial action**

If LBBW identifies a current or imminent violation of human rights or environmental obligations in its own business area or at a direct supplier, LBBW will take remedial action to prevent, end, or minimize the extent of this violation. For its own business area, this means the immediate prevention or cessation of the action causing the violation. For a supplier, the specific remedial action to be taken is determined with the individuals responsible on a case-by-case basis. Remedial action can lead to the temporary suspension or termination of the business relationship.

#### **2.5. Complaints procedure**

LBBW has established a reporting process in order to learn of human rights and environmental risks promptly and to provide support and take remedial action in a timely manner. It has decided to adapt the existing whistleblower system at LBBW to the requirements of LkSG and to make it available as the bank's standard reporting channel. Individuals can use this reporting channel to provide tip-offs and information in writing, verbally or via an ombudsperson to the office within LBBW responsible for their receipt.

#### **2.6. Documentation and reporting**

LBBW will continuously document the measures taken in the course of risk management. Based on the risk analyses performed, an annual report is prepared, which is submitted to the responsible authority, the German Federal Office for Economic Affairs and Export Control, and made accessible to the public on LBBW's website.

### 3. Annual and ad hoc review

The effectiveness of the preventive measures, the remedial action and the complaints procedure is reviewed once a year and on an ad hoc basis.

### 4. Continuous updates

The policy statement is subject to continuous updates, including the presentation of the findings of future risk analyses and any resulting measures.

Stuttgart, 13 December 2022

Board of Managing Directors

### **Annex**

*Companies whose business area is included in LBBW's business area in accordance with Section 2 (6) Sentence 3 LkSG:*

<b>Company name</b>	<b>Registered office</b>
ALVG Anlagenvermietung GmbH	Stuttgart
Berlin Hyp AG	Berlin
Centro Alemán de Industria y Comercio de Mexico S.de R.L.de C.V.	Mexico City
DEBTVISION GmbH	Stuttgart
German Centre for Industry and Trade Beijing Co., Ltd.	Beijing
German Centre for Industry and Trade Pte. Ltd	Singapore
IMBW Capital & Consulting GmbH	Stuttgart
Immobilienvermittlung BW GmbH	Stuttgart
Kommunalbau Rheinland-Pfalz GmbH	Stuttgart
LBBW Asset Management Investmentgesellschaft mbH	Stuttgart
LBBW Corporate Real Estate Management GmbH	Stuttgart
LBBW Gastro Event GmbH	Stuttgart
LBBW Immobilien Asset Management GmbH	Stuttgart
LBBW Immobilien Development GmbH	Stuttgart
LBBW Immobilien Investment Management GmbH	Stuttgart
LBBW Immobilien Kommunalentwicklung GmbH	Stuttgart
LBBW Immobilien Management Gewerbe GmbH	Stuttgart
LBBW Immobilien Management GmbH	Stuttgart

<b>Company name</b>	<b>Registered office</b>
LBBW México	Mexico City
LBBW REPRESENTAÇÃO LTDA.	Sao Paulo
LBBW Service GmbH	Stuttgart
LBBW Venture Capital GmbH	Stuttgart
LLC German Centre for Industry and Trade	Moscow
MMV Bank GmbH	Koblenz
Städtische Pfandleihe Stuttgart GmbH	Stuttgart
Süd Beteiligungen GmbH	Stuttgart
SüdFactoring GmbH	Stuttgart
SüdLeasing GmbH	Stuttgart
targens GmbH	Stuttgart