

Living together is simple.

Declaration of NORD/LB on its Principles on Respect for Human Rights

// **Business model**

Norddeutsche Landesbank - Girozentrale - (NORD/LB) is a commercial bank, landesbank and central bank for the savings banks based in Hanover, Braunschweig and Magdeburg and is represented beyond the core region by domestic branches in Bremen, Düsseldorf, Hamburg, Munich, Oldenburg and Schwerin, among other places. The branches in the important international financial and trading centres of London, New York and Singapore play a significant role in NORD/LB's foreign business activities.

In its function as a commercial bank with a primary business policy focus on its home region, NORD/LB offers its private, corporate and institutional customers and the public sector a wide range of financial services. This is carried out in the particular area of conflict between regional anchoring, personal customer contact and its activities on global markets. NORD/LB as a Group primarily finances private and corporate customers as well as customers in the renewable energy, infrastructure, aircraft and real estate sectors.

As a Landesbank, NORD/LB supports its sponsoring federal states of Lower Saxony and Saxony-Anhalt with their financial transactions. The bank's activities also include promotional business.

As the central bank for the savings banks (Girozentrale), NORD/LB operates in Mecklenburg-Western Pomerania, Saxony-Anhalt and Lower Saxony and is the partner for all of the savings banks located there. It also acts as a service provider for savings banks in other federal states, for example in Schleswig-Holstein. NORD/LB provides all the services that the savings banks need for their activities.

NORD/LB has its head offices in Hanover, Braunschweig and Magdeburg.

// **Importance of human rights**

NORD/LB is expressly committed to human rights and to preventing any kind of human rights violations. It is committed to human rights and environmental due diligence to prevent or mitigate adverse human rights impacts caused by or associated with its business activities and services and to address adverse impacts if and when they occur. NORD/LB explicitly supports the UN Guiding Principles "Protect, Respect and Remedy".

NORD/LB defines the following circumstances as a violation of human rights and derives these from national and international guidelines and standards:

- Child labour
- Forced labour, torture and slavery
- Failure to comply with occupational health and safety regulations
- Disregard for freedom of association
- Unequal treatment in the work environment
- Withholding a fair wage
- Unlawful eviction and land seizure
- Use of security forces with excessive force
- Harmful environmental impacts
- Mercury production and use
- Import and export of hazardous waste

// Implementation

By signing the UN Global Compact, NORD/LB has committed itself to taking into account the ten internationally recognised principles of the UN Global Compact on the aspects of human rights and working conditions as well as environmental protection and corruption in its business activities.

On the application of the respective applicable laws and regulatory requirements NORD/LB is also guided by leading national and international standards. standards and incorporates them into its actions:

- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights
- Core Labour Standards of the ILO (International Labour Organisation)

NORD/LB implements the observance of human rights with an internal guideline on dealing with human rights in order to avoid human rights violations. By applying the guideline, NORD/LB achieves:

- consider the importance of human rights requirements for employees, market partners and society in its business activities,
- provide guidance to employees and market partners regarding potential human rights violations,
- Further develop processes to establish transparency, assess and analyse and monitor potential human rights violations; and
- ensure that human rights aspects are taken into account in complaints management.

By systematically taking human rights and labour standards into account in its business activities, NORD/LB aims to actively promote the sustainable development of the economy and society within its sphere of influence, primarily in the following areas

- Respect for the human rights of its own employees,
- Avoiding human rights abuses through their business relationships with clients,
- Avoiding human rights abuses through their direct business relationships with suppliers.

Accordingly, human rights are also integrated into NORD/LB's Code of Conduct.

// Employees

NORD/LB supports its employees in taking all reasonable measures to prevent NORD/LB from being involved in or contributing to human rights violations in its operational activities, services or business relationships. All employees can expect to be protected from human rights violations by NORD/LB.

Similarly, NORD/LB expects its employees to comply with the following NORD/LB principles and values:

Diversity and equal opportunities

NORD/LB pursues the goal of actively contributing to a more sustainable future and accompanying its clientele in the transformation process. The success of sustainable action for people, the environment and the economy depends to a large extent on an appreciative attitude and the broad inclusion of diversity. NORD/LB understands the various dimensions of diversity as a source of innovation and creativity, which have a significant influence on the bank's competitiveness and future viability.

NORD/LB is therefore expressly committed to diversity and equal opportunities in a non-discriminatory environment.

A separate diversity guideline serves as a transparent presentation of the principles, goals and measures for the promotion and implementation of diversity in the bank.

Discrimination

The objective of NORD/LB's diversity management is based on ensuring that business operations are free of discrimination, i.e. that clients, employees, suppliers and other business partners do not receive any advantages or disadvantages insofar as these are based on discriminatory considerations.

No discrimination or harassment of any kind is tolerated at NORD/LB, whether on the grounds of gender and gender identity, age, sexual orientation, ethnic origin and nationality, physical and mental ability, religion and world view, social origin or even political stance, marital status or trade union activity.

Protection against discrimination is already specifically and comprehensively regulated by law in Germany through the General Equal Treatment Act (AGG). NORD/LB complies with the requirements of the AGG and regularly trains its employees on the requirements of the AGG via web-based training. At the foreign locations the local anti-discrimination laws are complied with and the local regulations apply to the employees.

Freedom of association and collective bargaining

Employee co-determination is very important at NORD/LB. It enables employees to take on more responsibility and contribute their own ideas. NORD/LB recognises the right of its employees to join a trade union or employee representation of their choice. All employees at the domestic locations are represented by local staff councils and a general staff council.

The ver.di and DBV trade unions represent the interests of NORD/LB employees in Germany who fall within the scope of the relevant collective agreement within the framework of collective negotiations.

Working time

NORD/LB complies with all applicable local laws concerning working hours, including overtime, rest breaks and paid holidays.

NORD/LB supports its employees in the various phases of their lives in balancing their professional and private lives with flexible working time models or specific offers, for example for family care. In addition to time off for the purpose of care, advice and referral to care facilities for relatives in need of care is also possible in cooperation with an external service provider via NORD/LB.

Health protection

Maintaining the health and ability to work of all employees through qualitative health management is an essential part of the management approach to human resources work at NORD/LB. Occupational Health Management (OHM) is managed by the Human Resources Division on behalf of the Managing Board.

Remuneration

NORD/LB remunerates its employees in a non-discriminatory manner and irrespective of, for example, gender and gender identity, age, sexual orientation, ethnic origin and nationality, physical and mental abilities, religion and worldview or social origin. NORD/LB remunerates its employees appropriately.

The basis for setting remuneration is a corresponding service agreement. The collective agreements for public-sector banks are applied to those employees of NORD/LB who are bound by collective agreements or with whom the application of these collective agreements has been agreed (contractual employees). Contract employees of NORD/LB are remunerated at a rate above the collective agreement rate.

All job evaluations of employees are task-based and not person-based.

Data protection

NORD/LB recognises the comprehensive right of employees to the protection of personal data concerning them as set out in Article 8 of the Charter of Fundamental Rights of the EU. It complies with the European and national legal requirements for handling personal data and is extremely careful in its handling of such data.

All employees are responsible for compliance with data protection regulations. Internal and external employees who handle personal data are obliged to observe data secrecy; this also applies beyond the employment relationship.

Principles, guidelines, procedures and processes have been implemented which serve to ensure compliance with data protection and are regularly developed further. Compliance with data protection requirements is monitored in the institutes of the NORD/LB Group by the respective data protection officers.

Internal employees are regularly trained on data protection regulations via web-based training.

// Business partners and clients

NORD/LB aims to work with companies and individuals whose business practices demonstrate a high level of governance and responsibility and has policies and procedures in place to select and screen the Bank's clientele.

NORD/LB expects its clients to also comply with the common framework conditions relevant to human rights and labour standards. In this context, the bank draws attention to its fundamental stance. In the event of a breach, NORD/LB reserves the right to terminate the business relationship.

Each business segment uses the sustainability guidelines to obtain an appropriate overview of whether and to what extent human rights and labour standards-relevant issues arise in the context of lending. If there is no conclusive clarity in the assessment of the potential risks of human rights violations in the context of lending, the application of the ESG checklist provides for the respective case to be assessed by ESG management.

// Service providers and suppliers

As part of its purchasing management, NORD/LB expects its potential business partners to comply with the ten principles of the UN Global Compact and also assumes this expectation in the business relationship between the business partner and its respective upstream suppliers and service providers.

NORD/LB uses a Group-wide regulation within its guidelines and framework agreements to ensure compliance with sustainable development principles by both the business partner and all of the business partner's upstream suppliers and service providers.

With regard to human rights, this means complying with all legal norms and international standards for fundamental and human rights, occupational health and safety/work safety as well as all regulations against discrimination in the most diverse forms (General Equal Treatment Act (AGG)).

If a violation of human rights on the part of a service provider or supplier becomes known, the service provider or supplier is required to disclose to NORD/LB its remedial or preventive measures to avoid or mitigate the violation. Violations of human rights principles by service providers or suppliers may result in NORD/LB terminating the business relationship with the supplier or service provider concerned.

// Trainings

When they join NORD/LB, all new employees receive training on the essential topics, in particular the qualifications required by law such as compliance, MaRisk, data protection or money laundering.

NORD/LB always provides training in line with requirements. A distinction is therefore made between regular compulsory training, training for specific target groups and event-related measures. All NORD/LB employees, including the members of the Managing Board, are required to attend the mandatory training courses. NORD/LB ensures protection against discrimination by means of an AGG officer and regular AGG web-based training.

// Risk management

Fulfilment of due diligence obligations

In order to fulfil its due diligence obligations, NORD/LB will use risk management to identify and minimise human rights and environmental risks and to prevent, end or minimise the extent of violations of human rights or environmental obligations. NORD/LB will embed corresponding processes in all relevant business processes.

Carrying out risk analyses

In the course of this NORD/LB will carry out risk analyses in its own business area and in relation to its suppliers. These risk analyses are carried out once a year and on an ad hoc basis.

// Prevention measures

Prevention measures in the own business area

If NORD/LB identifies a relevant risk in its own business area on the basis of the abstract risk analysis, it will take appropriate preventive measures, in particular:

- the implementation of the human rights strategy set out in the declaration in the relevant business processes,
- the development and implementation of appropriate procurement strategies and practices that avoid or mitigate identified risks,
- the provision of training in the relevant areas,
- the implementation of risk-based control measures to verify compliance with the human rights strategy contained in the declaration in its own business area.

Preventive measures towards suppliers

If NORD/LB identifies a relevant risk at a direct supplier on the basis of the abstract risk analysis, it will take appropriate preventive measures, in particular:

- the consideration of human rights and environmental expectations when selecting a direct supplier,
- the contractual assurance of a direct supplier that it complies with the human rights and environmental requirements demanded by the Managing Board of NORD/LB and addresses them appropriately along the supply chain,
- the agreement of appropriate contractual control mechanisms and the implementation of training and further education to enforce the contractual assurances of the direct supplier in accordance with point 2,
- the implementation of risk-based control measures based on the agreed control mechanisms in accordance with point 3, which verify compliance with the human rights strategy at the direct supplier.

If NORD/LB receives substantiated knowledge of a possible violation of human rights or environmental obligations at indirect suppliers, it will immediately carry out a risk analysis, establish appropriate preventive measures towards the originator, draw up and implement a concept to minimise and avoid the violation of a protected legal position or environmental obligation and, if necessary, update its declaration accordingly.

// Complaints management procedure

NORD/LB has established complaints and whistleblowing management procedures with various input channels which are available to clients and business partners as well as employees and other third parties. Incoming complaints and tips are examined and answered within the framework of the established processes by a person or body not affected by the complaint. This also applies to information about human rights and environmental risks and violations of human rights or environmental obligations that have arisen as a result of the business activities of NORD/LB or a direct or indirect supplier.

Further information regarding the complaints procedure is available at the following link: [Complaint Management Principles.pdf \(nordlb.com\)](#).

// Remedial measures

If NORD/LB ascertains that a violation of a human rights-related or environmental obligation has already occurred or is imminent in its own business area or at a direct supplier, it immediately takes appropriate remedial action to prevent or end the violation or to minimise the extent of the violation. In doing so, NORD/LB observes the requirements of Section 7 of the German Supply Chain Due Diligence Act (LKSG). Taking civil and criminal action depends on how and under what circumstances a person has violated human rights. If a violation of legal provisions is proven, NORD/LB reserves the right to forward the matter to the relevant authorities for further processing.

// Transparency

NORD/LB continuously documents the fulfilment of its human rights and environmental due diligence obligations within the company. It keeps the documentation for at least seven years.

NORD/LB reports annually on its position on human rights and labour standards and their implementation in its business operations as part of its sustainability reporting.

In addition, from 1 January 2024 NORD/LB will prepare an annual report on the fulfilment of its due diligence obligations in the past financial year and make it publicly available free of charge on the company's website for a period of seven years no later than four months after the end of the financial year. The report will meet the requirements of Section 10 para. 2 LKSG.

This declaration was approved by the Managing Board of NORD/LB at its meeting on 20 December 2022.