

2023

# Supply Chain Due Diligence Act Report



# Supply Chain Due Diligence Act (LkSG) Report

Reporting period from January 1, 2023, to December 31, 2023

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# A. Strategy & Embedding

## A1. Monitoring of risk management & management responsibility

### Which responsibilities were defined for monitoring risk management in the reporting period?

Chief Compliance Officer Ralf Zieren was appointed as Human Rights Officer as of January 1, 2023, and is responsible for monitoring risk management in accordance with the German Supply Chain Due Diligence Act (LkSG). The Vonovia Management Board has overall responsibility and decides on the organizational structures and workflows of risk management and the allocation of resources. The Vonovia Management Board also has overall responsibility for ensuring an appropriate risk management system. The Internal Audit department reviews the implementation of Group guidelines in the relevant departments at regular intervals (the policy statement on the human rights strategy has also been adopted by the Management Board as a Group guideline).

### Has the management established a reporting process that ensures that it is provided with information on a regular basis – at least once a year – on the work of the person responsible for monitoring risk management?

The company confirms that the management has established a reporting process that ensures that it is provided with information on a regular basis – at least once a year – on the work of the person responsible for monitoring risk management within the meaning of Section 4 (3) LkSG.

- Confirmed

### Describe the process that ensures reporting on risk management matters to management at least once a year/on a regular basis.

The Human Rights Officer reports to the CEO on a regular basis, at least once a month. The Management Board and the Supervisory Board are provided with information on current compliance issues on a quarterly/half-yearly basis. This also includes topics that fall within the scope of the Supply Chain Due Diligence Act. The management is informed immediately of any ad hoc risks.

## A2. Policy statement on human rights strategy

### Has a policy statement been prepared/updated on the basis of the risk analysis carried out during the reporting period?

The policy statement has been uploaded  
<https://www.vonovia.com/en/content/download/61163/6246335?version=7>

### Has the policy statement been communicated for the reporting period?

The company confirms that the policy statement has been communicated to employees, the works council where applicable, the public and the company's direct suppliers in respect of which a risk was identified in the risk analysis.

- Confirmed

### Please describe how the policy statement was communicated to the relevant target groups.

Vonovia has adopted its policy statement on its human rights strategy in the form of a Group guideline in order to take account of the particular importance of this topic and to clarify its binding nature within the Group. The policy statement was adopted by the Management Board and was then sent out by the Human Rights Officer to all managers at the first and second level below the Management Board. The policy statement has been published on the intranet and on the public company website in both German and English. A reference to the policy statement can also be found on the Vonovia website in the section for business partners and in the Non-financial Declaration in the Annual Report. Vonovia has also proactively informed its suppliers of the policy statement by email.

# A. Strategy & Embedding

## A2. Policy statement on human rights strategy

### What are the components of the policy statement?

- Establishment of risk management
- Annual risk analysis
- Establishment of preventive measures in the company's own area of business, at the level of direct suppliers and, where applicable, indirect suppliers, as well as a review of the effectiveness of these measures
- Remedial action in the company's own area of business, at the level of direct suppliers and, where applicable, indirect suppliers, as well as a review of the effectiveness of these measures
- Establishment of a complaints procedure in the company's own area of business, at the level of suppliers, as well as a review of its effectiveness
- Documentation and reporting obligation
- Description of the prioritized risks identified
- Description of human rights-related and environmental expectations towards the company's own employees and suppliers

### Description of possible updates during the reporting period and reasons.

Vonovia had already published and adopted a policy statement on human rights back in 2020. It was signed by the Management Board. An updated version of the policy statement was published as a Group guideline in German and English on January 1, 2023, in order to include more detailed information on the processes implemented at Vonovia in the context of the LkSG.

It was updated again in the first quarter of 2024, and an updated policy statement was published in German and English on March 6, 2024. In addition to editorial revisions, we updated the risk areas identified based on the risk analyses carried out for our own area of business and for direct business partners, added a reference to the published rules of procedure for the complaints procedure, and updated the frequency of meetings of the Due Diligence Committee.

## A3. Embedding the human rights strategy within the organization

### In which relevant departments/business processes was the embedding of the human rights strategy ensured during the reporting period?

- HR
- Location Development/Management
- Environmental Management
- Occupational Safety & Occupational Health Management
- Communications/Corporate Affairs
- Research & Development
- Procurement
- CSR/Sustainability
- Legal/Compliance
- Quality Management
- Mergers & Acquisitions
- Business Development
- IT/Digital Infrastructure
- Community/Stakeholder Engagement
- Internal Audit

## A. Strategy & Embedding

### A3. Embedding the human rights strategy within the organization

#### Describe how responsibility for implementing the strategy has been distributed within the various departments/business processes.

The Vonovia Management Board has overall responsibility for compliance with human rights and environmental due diligence obligations. The Human Rights Officer is responsible for monitoring risk management and reports directly to the Management Board in this function.

The policy statement on the human rights strategy has been adopted as a Group guideline, applies to all Vonovia Group employees and has been widely communicated. Individual managers are responsible for compliance with the Group guidelines within their departments. The Human Rights Officer is supported by a committee that brings together due diligence coordinators from relevant departments (Compliance and Data Protection, Procurement, Sustainability/Strategy, Human Resources). The committee convened once per quarter in the reporting year, and discusses the ongoing fulfillment of the human rights and environmental due diligence obligations.

The clear stance with regard to respect for human rights is also firmly anchored in the Vonovia Code of Conduct, which is also binding for all employees. We also set out our clear expectations with regard to respecting human rights in the supply chain in our Business Partner Code, which all business partners have to sign.

#### Describe how the strategy has been integrated into operational processes and workflows.

Vonovia has implemented instruments to firmly establish respect for human rights in processes and measures, for example in supplier management:

As part of the regular evaluation of our key suppliers and service providers via our partner portal, we also ensure compliance with the criteria set out in the Business Partner Code. In the event of incidents and breaches, a structured management of measures is activated, which – once all other means have been exhausted – may result in blocks on orders or even in a supplier being blocked entirely. We also use long-term cooperation in the spirit of partnership to build a close relationship of trust with our contractual partners. This is largely the responsibility of the procurement department and allows any misconduct and other risks to be addressed. We have revised our Group-wide Procurement Guidelines and expanded them to include the LkSG requirements.

Our Business Partner Code is based on internationally recognized guidelines, such as the principles of the UN Global Compact, the ILO core labor standards and the UN Guiding Principles on Business and Human Rights. All direct suppliers must comply with the requirements described and agree to contractual control mechanisms. Vonovia also reserves the right to verify compliance with this Code after the contract has been concluded. Our business partners have to guarantee active support in these reviews. In addition, each and every business partner is required to implement these obligations in their supply chain and to pass them on to their own business partners.

Employees receive regular training on the Code of Conduct, which they also have to sign, together with their employment contract, before their first day of work. The individual departments are responsible for integrating human rights due diligence into operational processes, including analyzing and assessing relevant risks and implementing appropriate measures.

Vonovia has established various complaints procedures that can be used to report potential or actual misconduct (anonymously). The Compliance and Data Protection department and an external ombudsperson are also available to all employees who have questions or require information.

## A. Strategy & Embedding

### A3. Embedding the human rights strategy within the organization

#### Describe which resources & expertise are provided for implementation.

We collaborate on an interdisciplinary basis to ensure that Vonovia meets its human rights and environmental due diligence obligations on an ongoing basis:

The Procurement department is responsible for risk analysis in relation to the supply chain and provides expertise in working with and reviewing suppliers. The Compliance and Data Protection department is responsible for conducting the risk analysis for the company's own area of business, for establishing complaints procedures, as well as reviewing the reports received, for monitoring overall risk management in accordance with the LkSG and for updating the policy statement on the human rights strategy. Both the Procurement department and the Compliance and Data Protection department are responsible for developing and implementing appropriate preventive and remedial measures, as well as reviewing their effectiveness. The HR department contributes expertise in relation to relevant issues within the company's own workforce and in the implementation of requirements under the German General Act on Equal Treatment (AGG) as well as in the development and implementation of training formats. The Sustainability/Strategy department provides support with internal and external reporting as well as documentation. The Financial Controlling department offers support with the approach for risk analysis and assessment.

An overarching Due Diligence Committee brings together the due diligence coordinators from Compliance and Data Protection, Procurement, Sustainability/Strategy and HR, and meets at regular intervals. The Committee provides procedural support to the Human Rights Officer and also deals with the risk management organization. In the reporting year, external experts also provided support and advice on the preparation and implementation of the risk analysis for the supply chain, the supplier survey, training sessions and the update of the policy statement on the human rights strategy.

## B. Risk Analysis and Preventive Measures

### B1. Risk analysis implementation, procedure and results

Has a regular (annual) risk analysis been conducted during the reporting period to identify, and assign weightings and priority levels to, human rights and environmental risks?

- Yes, for the company's own area of business
- Yes, for direct suppliers

Describe the period in which the annual risk analysis was carried out.

January 1, 2023–December 31, 2023

Describe the risk analysis approach.

Vonovia had already integrated sustainability risks into its Group-wide risk management system, and had these risks identified and evaluated on a regular basis, before the German Supply Chain Due Diligence Act (LkSG) came into force. Accordingly, the risk catalog already included risks related to occupational safety and environmental protection. All risks referred to in the LkSG were taken into account in the risk analysis for the supply chain (direct suppliers) as well as for the company's own area of business. As part of the overall risk analysis, care was taken to ensure consistency with the methodology used as part of the existing Group-wide risk management system. Where relevant, we have also applied the chosen approach to the identification and assessment of sustainability-related impacts, opportunities and risks as required by the Corporate Sustainability Reporting Directive (CSRD). We have described this approach for the 2023 reporting year below. Vonovia plans to roll out the established processes and measures resulting from the LkSG at its foreign subsidiaries in the course of 2024.

#### *Risk analysis for the company's own area of business:*

The risk analysis for the company's own area of business was integrated into the existing regular compliance risk analysis. The survey was conducted online and aimed at the first two management levels below the Management Board. When selecting the survey participants, all relevant individuals responsible for areas in which services are provided for the company's own area of business were included. Participants were asked to assess the relevant human rights and environmental risks (in accordance with the legal positions stated in the LkSG); they were also given the opportunity to provide information on other human rights or environmental risks. This also included asking about indications of risks that had arisen in the past and future (expected) risks. In accordance with the requirements of the LkSG, the risks were assessed according to the relevant criteria of nature and scope of business activity, likelihood of occurrence and severity (degree, number of people impacted, irreversibility) (the company's contribution and ability to exert influence are given, as the risks relate to the company's own area of business). Measures that are already implemented were taken into account in the specific risk assessment (net assessment) and documented.

#### *Risk analysis for the supply chain (direct suppliers):*

For the purposes of the supply chain risk analysis, the annual revenue per business partner was calculated and the relevant trade, country and contractual relationship were broken down. Next, clusters of trades and materials were created, and each cluster was analysed in two different risk dimensions. The first risk dimension related to risk factors pointing to susceptibility of business activities to risk. This involved assessing the following factors: the complexity and transparency of the supply chain, the risk potential associated with the work to be carried out and the raw materials involved, and the degree of vulnerability of the individuals involved/potentially affected. The second dimension involved assessing the abstract risks we had identified for each cluster in accordance with the appropriateness criteria (severity of a potential violation, likelihood of occurrence, the nature of the contribution of Vonovia and the ability of Vonovia to exert influence). The resulting assessments (conducted in collaboration with purchasers) were evaluated and weighted based on both risk dimensions. The clusters were categorized as low, medium and high-risk based on their risk profile. We consider a considerable lack of transparency to be tantamount to an increased risk, as not enough information is available to assess the risk as low. Each business partner was assigned a risk profile based on this approach. Priority levels were set based on revenue per cluster and business partner. Based on the priority levels and using a systematic decision tree, appropriate measures for in-depth risk analysis were developed and implemented. In particular, these included sending out topic-specific questionnaires to business partners that had been prioritized based on the risk associated with them.

## B. Risk Analysis and Preventive Measures

### B1. Risk analysis implementation, procedure and results

#### Were ad hoc risk analyses also carried out during the reporting period?

- No

#### Please provide reasons for your answer.

No cause has been identified, meaning that no ad hoc risk analysis was carried out for the company's own area of business or for the supply chain, in addition to the regular risk analysis carried out in the reporting period.

#### Results of the risk assessment

##### What risks were identified as part of the risk analysis/analyses in the company's own area of business?

- Failure to account for occupational health and safety and work-related health hazards
- Prohibition of unequal treatment in employment
- Other prohibitions: Discrimination against tenants or customers

#### Results of the risk assessment

##### What risks were identified as part of the risk analysis/analyses conducted in relation to the company's direct suppliers?

- Failure to account for occupational health and safety and work-related health hazards
- Prohibition of forced labor and all forms of slavery
- Prohibition of child labor
- Prohibited production and/or use of substances that fall within the scope of the Stockholm Convention (POPs) as well as the non-environmentally sound handling of waste containing POPs

#### Were the risks identified in the reporting period weighted and, where applicable, prioritized and, if so, on the basis of which appropriateness criteria?

- Yes, based on the expected severity of the violation in terms of its degree, the number of people impacted and its irreversibility
- Yes, based on the company's own ability to exert influence
- Yes, based on the likelihood of occurrence
- Yes, based on the nature and scope of the company's own business activities
- Yes, based on the nature of the company's contribution
- Yes, based on other factors:

In addition to the aforementioned criteria, we used factors for susceptibility to human rights or environmental risks specific to countries, sectors and product groups (in accordance with the BAFA appropriateness guidance) to identify and prioritize risks as part of the risk analysis for the supply chain.

#### Describe in greater detail how the weightings and, where applicable, priority levels were assigned, and what factors were taken into account in the process.

##### ***Risk analysis for the company's own area of business:***

The abstract risks identified were subjected to a net assessment. This resulted in two risks that are prioritized and assigned a higher weighting (discrimination in relation to the company's own employees and tenants/customers; failure to comply with occupational health and safety standards in the company's own workforce). The risks identified were assessed upstream according to the nature and scope of business activity, and then 50% each according to likelihood of occurrence and severity (degree, number of people impacted, irreversibility) (the company's contribution and ability to exert influence are given as the risks relate to the company's own area of business).

##### ***Risk analysis for the supply chain (direct suppliers):***

Both risk aspects (risk of general business activity and risk of violations of human rights and environmental regulations) were assigned a 50% weighting. The risk of a negative impact on human rights or the environment was assessed based on the criteria of severity of the violation (50% weighting), likelihood of occurrence (30% weighting), nature of the company's contribution (10% weighting) and ability to exert influence (10% weighting). The risks in each cluster are categorized as low, medium and high-risk/lack of transparency. Further priority levels were set based on the level of revenue per cluster and business partner.



## B. Risk Analysis and Preventive Measures

### B2. Preventive measures in the company's own area of business

#### Which risks were prioritized in your own area of business during the reporting period?

- Failure to account for occupational health and safety and work-related health hazards
- Prohibition of unequal treatment in employment
- Other prohibitions: Discrimination against tenants or customers

#### Failure to account for occupational health and safety and work-related health hazards

##### What specific risk does this relate to?

In the course of modernization work, repairs and similar construction work, there is a possibility that employees – or tenants – may come into contact with materials containing asbestos or other hazardous substances. These could have adverse health effects if handled improperly.

##### Where does the risk arise?

- Germany
- Austria
- Sweden

#### Prohibition of unequal treatment in employment

##### What specific risk does this relate to?

The risk of discrimination on the grounds specified in Section 2 (2) no. 7 LkSG could materialize within the company's own workforce, for example when recruiting or selecting applicants, promoting employees, etc.

##### Where does the risk arise?

- Germany
- Austria
- Sweden

#### Other prohibitions

##### What specific risk does this relate to?

The risk of discrimination on the grounds specified in Section 2 (2) no. 7 LkSG could also affect tenants or customers, e.g. when apartments are allocated.

##### Where does the risk arise?

- Germany
- Austria
- Sweden

#### What preventive measures were implemented for the reporting period to prevent and minimize the prioritized risks in your own area of business?

- Holding training sessions in relevant business areas
- Implementing risk-based control measures

#### Holding training sessions in relevant business areas

##### Describe the measures implemented and, in particular, specify their scope (e.g. number, coverage, scope of application)

Regular Group-wide training sessions are the cornerstone for preventing misconduct before it happens. A comprehensive catalog of regular and mandatory training events is already firmly established and has been adapted for the various internal target groups. These training courses cover topics such as anti-discrimination and the content of the AGG. One training session is dedicated to the Vonovia Code of Conduct, which defines respectful and tolerant cooperation as a core value of the corporate culture and which all employees have to sign.

## B. Risk Analysis and Preventive Measures

### B2. Preventive measures in the company's own area of business

Vonovia has established a toxic materials management system to ensure the safe handling of toxic materials. Among other measures, safety fact sheets and operating instructions are kept for affected products and the company's own employees are trained on how to handle these products correctly from an occupational safety perspective. There are established processes for handling hazardous substances.

#### Describe the extent to which the training measures to prevent and minimize the prioritized risks are appropriate and effective.

The training courses implemented to raise awareness and prevent risks are appropriate and effective, as they are made accessible to all employees with low thresholds involved, and use examples from everyday life within the company to ensure practical relevance. The training courses also enable our employees to handle asbestos and other hazardous substances (where relevant) properly. Breaches of the processes that have been put in place are the absolute exception and are dealt with promptly.

In the course of the next reporting year (2024), a concept for reviewing the appropriateness and effectiveness of the preventive measures is to be developed.

#### Implementing risk-based control measures

#### Describe the measures implemented and, in particular, specify their scope (e.g. number, coverage, scope of application)

The update of the process for handling materials containing asbestos is planned for 2024. Checks on the implementation of the revised process for handling materials containing asbestos performed by the Compliance and Data Protection department and an audit review of the departments affected by the process are planned for 2024.

#### Describe the extent to which the measures to prevent and minimize the prioritized risks are appropriate and effective.

The improvement of the process and the subsequent review of its implementation help to minimize the identified risk. If the review identifies a need for further adjustments, these will be implemented.

### B3. Preventive measures at the level of direct suppliers

#### Which risks were prioritized at the level of direct suppliers during the reporting period?

- Failure to account for occupational health and safety and work-related health hazards
- Prohibition of forced labor and all forms of slavery
- Prohibition of child labor
- Prohibited production and/or use of substances that fall within the scope of the Stockholm Convention (POPs) as well as the non-environmentally sound handling of waste containing POPs

#### Failure to account for occupational health and safety and work-related health hazards

#### What specific risk does this relate to?

The following identified risks could arise primarily on construction sites and in the production facilities of our sub-contractors. Around 99% of our direct suppliers are based in Germany.

Disregard or breaches of occupational health and safety standards by our direct suppliers, particularly on construction sites, can lead to injuries being sustained by our suppliers' employees. Work in the craft and construction sectors sometimes calls for heavy physical labor. In some cases, this industry also employs low-skilled employees who belong to vulnerable groups (e.g. due to language barriers).

#### Where does the risk arise?

- Germany

## B. Risk Analysis and Preventive Measures

### B3. Preventive measures at the level of direct suppliers

#### Prohibition of forced labor and all forms of slavery

##### What specific risk does this relate to?

Due to a lack of transparency, the use of forced labor by our direct suppliers can never be completely ruled out. Modern slavery is a known industry risk. We only have limited information on how high our direct suppliers and service providers consider the risk in their supply chains to be, and what preventive measures have been implemented. To date, we have no reason to believe that forced labor is used within our supply chain.

##### Where does the risk arise?

- Germany

#### Prohibition of child labor

##### What specific risk does this relate to?

Due to a lack of transparency, the use of child labor by our direct suppliers can never be completely ruled out. To date, we have no reason to believe that child labor is used within our supply chain.

##### Where does the risk arise?

- Germany

#### Prohibited production and/or use of substances that fall within the scope of the Stockholm Convention (POPs) as well as the non-environmentally sound handling of waste containing POPs

##### What specific risk does this relate to?

Treatment and disposal of waste generated by direct suppliers on construction sites in a manner that is not environmentally sound can result in environmental pollution. The risk may result from improper handling, potentially due to inadequate or incorrect training on the storage and disposal of building materials, hazardous substances, clearing out work, and waste (scrap, packaging, etc.).

##### Where does the risk arise?

- Germany

#### What preventive measures were implemented for the reporting period to prevent and minimize the prioritized risks at the level of direct suppliers?

- Development and implementation of suitable procurement strategies and practices
- Obtaining contractual commitments regarding compliance and implementation of expectations along the supply chain
- (Further) training to enforce contractual compliance

#### Other categories:

Selected:

- Obtaining contractual commitments regarding compliance and implementation of expectations along the supply chain
- (Further) training to enforce contractual compliance

## B. Risk Analysis and Preventive Measures

### B3. Preventive measures at the level of direct suppliers

#### Describe the extent to which the measures to prevent and minimize the prioritized risks are appropriate and effective.

We clearly communicate what we expect of our suppliers and define these expectations in our Business Partner Code. The Code is binding, freely accessible at all times, and available in German and English. The measures taken to conduct regular supplier reviews improve transparency. The Vonovia partner portal is being enhanced on an ongoing basis and adapted to reflect new overall conditions. We proactively communicate our expectations to our suppliers and seek opportunities for regular dialogue. The measures do not represent complicated or unreasonable requirements for our suppliers.

The aim for the next reporting year (2024) is to review the measures in terms of their appropriateness and effectiveness. The regular risk analysis also helps to review the effectiveness of the measures implemented.

#### Category: Procurement Strategy & purchasing practices

Selected:

- Development and implementation of suitable procurement strategies and practices

#### Describe the measures implemented and the extent to which the definition of delivery times, purchasing prices or the duration of contractual relationships have been adjusted.

We have proactively informed our business partners of our human rights strategy, referring to our policy statement and the complaints procedures available. We actively seek dialogue with our prioritized business partners to understand how they exercise human rights due diligence and what risks they have identified in their supply chains. Our business partners sign the Business Partner Code, in which we clearly communicate our expectations and requirements with regard to human rights and environmental protection and require them to comply with these principles, also in their own supply chain. There have not been any changes with regard to delivery times, purchasing prices or the duration of contractual relationships.

#### Describe how adjustments to your own procurement strategy and practices will help to prevent and minimize the prioritized risks.

The Vonovia procurement practices meet industry standards and support lasting relationships with our suppliers based on trust.

We updated our Business Partner Code in the reporting year to clarify our expectations with regard to respecting human rights and protecting the environment. We have revised our Group-wide Procurement Guidelines and expanded them to include the LkSG requirements. We have set up a mailbox for suppliers (humanrights@vonovia.de) to provide a further point of contact for specific inquiries or information relating to the LkSG. By systematically communicating our requirements and expectations to our business partners, Vonovia makes it clear that no violations of human rights or environmental regulations will be tolerated. To raise awareness among our purchasers and other internal target groups, we organized training on the content of the LkSG in the reporting year.

The Vonovia procurement strategy focuses on long-term partnerships with its suppliers. As part of its risk management system, the company is enhancing this strategy on an ongoing basis and adapting it to reflect the latest findings in relation to human rights and the environment. In order to minimize prioritized risks, Vonovia relies, among other things, on more intensive dialogue regarding expectations, on the inclusion of risk analysis results in the cooperation and development of business relationships, and on regular progress reviews.

## B. Risk Analysis and Preventive Measures

### B5. Communication of results

Were the results of the risk analysis/analyses for the reporting period communicated internally to relevant decision-makers?

We confirm that the results of the risk analysis/analyses for the reporting period were communicated internally to the relevant decision-makers, such as the Management Board, senior management or the Procurement department, in accordance with Section 5 (3) LkSG.

- Confirmed

### B6. Changes in risk exposure

What changes have arisen with regard to prioritized risks compared to the previous reporting period?

As this is the first reporting period, no changes have to be reported, as there is no previous reporting period.

## C. Identification of Violations and Remedial Action

### C1. Identification of violations and remedial action in the company's own area of business

Did you identify any violations in your own area of business during the reporting period?

- No

Describe which approaches can be used to identify violations in your own area of business.

For further details, see the section on complaints procedures.

### C2. Identification of violations and remedial action at the level of the company's direct suppliers

Did you identify any violations at the level of your direct suppliers for the reporting period?

- No

Describe which approaches can be used to identify violations at the level of your direct suppliers.

For further details, see the section on complaints procedures.

### C3. Identification of violations and remedial action at the level of the company's indirect suppliers

Did you identify any violations at the level of your indirect suppliers during the reporting period?

- No

## D. Complaints Procedure

### D1. Establishment of, or participation in, a complaints procedure

#### In what form was a complaints procedure offered for the reporting period?

- Company-level complaints procedure

#### Describe the company-level process and/or the process in which your company participates.

The Compliance and Data Protection department is responsible for establishing the complaints procedure and whistleblowing system. The Vonovia Chief Compliance Officer is also the Human Rights Officer (Section 4 (3) LkSG).

Vonovia offers several channels that can be used to (anonymously) report potential or actual grievances relating both to its own area of business and its supply chain. These include:

- BKMS whistleblowing system (online, multilingual, anonymous)
- GSK Stockmann whistleblower hotline (by phone or email)
- External ombudsperson (by phone or email)
- Internal mailbox [agg@vonovia.de](mailto:agg@vonovia.de), especially for AGG-related reports (communicated on the intranet)
- Mailbox [humanrights@vonovia.de](mailto:humanrights@vonovia.de) (increasingly used for supplier communication)

Further details on the reporting channels can be found online (<https://www.vonovia.com/en/about-us/strategy-and-values/compliance>) and in the rules of procedure (<https://www.vonovia.com/content/download/61166/4268174?version=1>).

Vonovia has a Group-wide whistleblowing policy that addresses the systematic detection of misconduct. It supplements the Compliance Guidelines, the Business Partner Code and the guidelines on the internal control system. It also sets out further details on the procedure for reporting incidents and the framework for preventing and detecting corruption or irregularities. Internal Audit reviews the correct implementation of Group guidelines at regular intervals.

#### Which potentially involved parties have access to the complaints procedure?

- The company's own employees
- Local communities in the vicinity of the company's own locations
- Employees of suppliers
- External stakeholders such as NGOs, trade unions, etc.
- Other: Customers and tenants; business partners

#### How is access to the complaints procedure ensured for the various groups of potentially involved parties?

- Publicly accessible rules of procedure in text form
- Information on accessibility
- Information on responsibilities
- Information on the process
- All information is clear and easy to understand
- All information is publicly accessible

#### Publicly accessible rules of procedure in text form

##### Optional: Describe.

See rules of procedure.

## D. Complaints Procedure

### D1. Establishment of, or participation in, a complaints procedure

#### Information on accessibility

##### Optional: Describe.

Vonovia has established various low-threshold channels to allow individuals to report potential or actual grievances/lodge complaints anonymously. The BKMS whistleblowing portal is available in eight languages. In addition to the online system, reports can also be submitted by telephone, email or post. The Vonovia website always provides an up-to-date overview of all channels, including access options and names of specific contacts. The complaints procedure is open to stakeholders in the supply chain and is actively communicated to business partners.

#### Information on responsibilities

##### Optional: Describe.

For further details, see the section on the complaints procedure.

#### Information on the process

##### Optional: Describe.

For further details, see the section on the complaints procedure.

#### All information is clear and easy to understand

##### Optional: Describe.

For further details, see the section on the complaints procedure.

#### All information is publicly accessible

##### Optional: Describe.

For further details, see the section on the complaints procedure.

#### Were the rules of procedure publicly available for the reporting period?

File uploaded

Rules of procedure: <https://www.vonovia.com/content/download/61166/4268174?version=1>

### D2. Requirements for the complaints procedure

#### Name the person(s) responsible for the procedure and their function(s).

Ralf Zieren, Chief Compliance Officer and Human Rights Officer

#### The company confirms that the criteria set out in Section 8 (3) LkSG are met for the persons responsible, i.e. that they guarantee impartiality, are independent and are not bound by instructions and are obliged to treat any reports as confidential.

- Confirmed

#### The company confirms that precautions were taken during the reporting period to protect parties potentially involved from being put at a disadvantage or penalized as a result of a complaint.

- Confirmed



## D. Complaints Procedure

### D2. Requirements for the complaints procedure

Describe what precautions have been taken, in particular how the complaints procedure ensures that the identity of whistleblowers remains confidential.

Vonovia guarantees that any complaints remain confidential: complaints can be submitted anonymously and at any time. For example, whistleblowers can contact an independent third party (ombudsperson) or use the anonymous web-based whistleblowing system. The reports or complaints, especially if conclusions can be drawn as to the identity of the person who made them, are treated as confidential. The individuals entrusted with the complaints procedure are obliged to treat all reports as confidential, and are the only ones who can access the complaints and the communication channel with the person making the report. The complaints are evaluated solely by this authorized group of people. As a general rule, no information from the system is forwarded to external third parties, unless this is necessary for the matter to be handled by an external lawyer or auditor, is required as part of investigative proceedings, is part of legal proceedings or has to be forwarded based on statutory requirements. The data is only stored for as long as it has to be for the purpose concerned.

Describe what precautions have been taken, in particular what other measures are in place to protect whistleblowers.

- Reports/complaints are only processed by selected and specifically trained employees (need-to-know basis). Whistleblowers are protected from reprisals (defined in the corresponding Group guidelines).

### D3. Implementation of the complaints procedure

Did you receive any reports via the complaints procedure during the reporting period?

- Yes

Provide details on the number, content, duration and outcome of the procedures.

In the 2023 reporting year, one report regarding a possible violation of human rights in our own area of business was received via the anonymous BKMS whistleblowing portal.

On which topics were complaints received?

- Failure to account for occupational health and safety and work-related health hazards

Describe what conclusions were drawn from the complaints/reports received and to what extent these findings have led to adjustments being made to the risk management system.

The report was examined in detail by the Compliance and Data Protection department in cooperation with other departments and was not confirmed. No need for adjustments to the risk management system was identified.

## E. Review of Risk Management

Is there a process in place to review the appropriateness and effectiveness of the risk management system as a whole?

In which of the following areas of risk management is appropriateness and effectiveness reviewed?

- Risk analysis and prioritization
- Preventive measures
- Complaints procedure

Describe how this review is carried out for the relevant area and what results it has produced, in particular with regard to the prioritized risks.

### *Complaints procedure:*

In order to review the effectiveness of the complaints procedure, the complaints and reports received are evaluated on a regular basis. Whistleblowers are asked on the accessibility of the complaints procedure. No need for adjustment was identified in 2023.

### *Preventive measures:*

The effectiveness of training sessions as preventive measures is reviewed by checking the participation rate and evaluating the feedback received afterwards. The feedback is taken into account when organizing the sessions for the following year.

### *Risk analysis and prioritization process:*

The procedure and results of the risk analyses are presented and discussed in the interdisciplinary Due Diligence Committee. No need for adjustment was identified in 2023.

Further processes for reviewing the appropriateness and effectiveness of risk management are currently being developed.

Are there processes or measures in place to ensure that the interests of your employees, employees within your supply chains and people who might otherwise be directly affected in a protected legal position by the economic activities of your company or by the economic activities of a company in your supply chains are given appropriate consideration when establishing and implementing risk management?

In which areas of risk management have processes/measures been implemented to reflect the interests of people who might be affected?

- Resources & expertise
- Complaints procedure
- Other: Employee survey

Describe the processes/measures for the relevant area of risk management.

Taking the interests of people who might be affected into account is a key part of our ongoing measures to optimize our risk management system.

### *Resources and expertise:*

Vonovia initiated a supplier survey in the reporting year in order to create greater transparency regarding risks in the supply chain and to strengthen direct dialogue with business partners. We also hold regular internal discussions with those responsible for the trades in order to refine the understanding of risks specific to the trades. As part of the supply chain risk analysis, we also incorporate external sources, including the Global Rights Index and the Environmental Performance Index (to take specific country risks into account). In the reporting year, we also commissioned external experts to advise us on the implementation of our due diligence obligations in the supply chain.

## E. Review of Risk Management

### *Complaints procedure:*

We take the interests of whistleblowers seriously by guaranteeing confidentiality and impartiality as well as protection against reprisals. We also inquire with whistleblowers as to the accessibility of our reporting channels and review any recommendations we receive for adjustments.

### *Other measures:*

Vonovia conducts a comprehensive annual employee survey (anonymous and voluntary) in order to regularly analyze the concerns of its own workforce and develop measures to increase employee satisfaction.

# Contact

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## **Note**

This Report is published in German and English.  
The German version is always the authoritative text.  
You can find further information on the implementation of the LkSG at Vonovia  
online at <https://www.vonovia.com/en/about-us/strategy-and-values/compliance>.

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