

# Policy Statement on respect for human rights and the environment

**Contact:**

Aareon AG  
Isaac-Fulda-Allee 6  
55124 Mainz, Germany

Phone: +49 6131 301 770  
Mobile: +49 160 99233035  
[Sandra.Hendro@Aareon.com](mailto:Sandra.Hendro@Aareon.com)

Status: December 2023

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## FOREWORD

### **For human rights and the environment - Our commitment to a sustainable future**

For Aareon, recognising and respecting human rights and the environment is an integral part of our self-image.

As a company, we are committed to ethical principles that serve as a guide for decisions and actions and ensure that our values act as a moral compass.

Aareon is a provider of SaaS solutions for the European property industry. The company digitalises property management with user-oriented software solutions. These simplify and automate processes, support sustainable and energy-efficient action and network those involved in the process. As a result, property companies can realise new value creation potential.

This policy statement reflects our responsibility in relation to value creation and the supply chain by incorporating and expanding on the principles of our Code of Conduct. We implement applicable laws and regulations, respect international standards and endeavour to meet human rights and environmental requirements in our business activities and prevent violations. This policy statement applies to Aareon AG and its subsidiaries if Aareon AG directly or indirectly holds more than 75% of their shares.

## OUR COMMITMENT TO RESPECTING HUMAN RIGHTS AND THE ENVIRONMENT

We are aware that our collective efforts influence our corporate culture. Each and every one of us plays a crucial role in bringing our moral compass to life. By living our values and adopting our defined principles, we pave the way for ethical behaviour in our daily work.

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<sup>1</sup> [https://www.aareal-bank.com/fileadmin/05\\_Verantwortung/03\\_Other\\_PDF-files/Code\\_of\\_Conduct\\_Lieferanten.pdf](https://www.aareal-bank.com/fileadmin/05_Verantwortung/03_Other_PDF-files/Code_of_Conduct_Lieferanten.pdf)

## HUMAN RIGHTS

Our commitment includes respect for internationally recognised human rights in all our business activities and along our value chains. This includes in particular

- The ban on child labour and forced labour
- The prohibition of all forms of slavery and discrimination
- Strengthening the freedom of association
- Mutual respect, regardless of age, disability, religion, social background, ethnic or cultural diversity, gender or sexual orientation and identity
- Compliance with occupational health and safety
- The payment of appropriate wages
- The ban on environmental pollution

In addition to our internal regulations and guidelines, we also orientate ourselves to international standards and frameworks.

## OUR EXPECTATIONS OF OUR EMPLOYEES AND SUPPLIERS

Our expectations regarding respect for human rights and the environment are set out in our corporate guidelines and management systems:

- Code of Conduct of our parental company Aareal Bank AG<sup>1</sup>. This Code of Conduct, which is binding for all employees, sets out the most important guidelines and principles for actions and behaviour in our daily work processes and in our corporate culture at both international and national level.
- Supplier Code of Conduct<sup>2</sup>: This code of conduct sets out the requirements for our suppliers with regard to sustainability criteria, including the expectation that social, ethical and environmental requirements are taken into account.

<sup>2</sup> [https://www.aareal-bank.com/fileadmin/05\\_Verantwortung/03\\_Other\\_PDF-files/Code\\_of\\_Conduct\\_Lieferanten.pdf](https://www.aareal-bank.com/fileadmin/05_Verantwortung/03_Other_PDF-files/Code_of_Conduct_Lieferanten.pdf)

Our standards are not only important to us, but also to our suppliers. Our contracts with direct suppliers contain clear rules on compliance with these principles. Aareon expects its suppliers to comply with the values and principles set out in the Code of Conduct for Suppliers themselves and to endeavour to ensure that their suppliers in the supply chain comply with them.

In addition, we expect our business partners to provide information on how exactly they implement these principles in their business activities when required. This collaborative partnership is crucial in order to jointly promote a sustainable and ethically responsible business world.

## PROCEDURE DESCRIPTION

### RISK MANAGEMENT AND RISK ANALYSIS

#### RISK ANALYSIS IN OWN BUSINESS AREA

As part of an annual risk analysis, the risks under the Supply Chain Due Diligence Act are analysed in our own business area. The risk scenarios are identified, evaluated and prioritised on the basis of gross and net considerations.

Following the net assessment (risk level after taking into account the effects of all existing measures and controls), the risk analysis for human rights-related and environmental risks in our own business area resulted in a classification in the low risk range. We continuously endeavour to keep any risks to a minimum through comprehensive measures.

#### RISK ANALYSIS FOR SUPPLIERS

Aareon carries out an annual risk analysis to identify any risk suppliers.

In this analysis, the parameters 'country' and 'industry' are used as assessment factors. A scoring model based on official indices serves as a reference for the supplier-specific risk assessment:

- If the supplier master data corresponds to a high-risk industry-country combination, further supplier-specific analyses are required.
- If necessary, appropriate measures are defined and imposed on the supplier.

- The effectiveness of these measures is subsequently monitored and tracked.
- If this is not effective, the consequence is to terminate the contract with the supplier and replace it with a risk-free supplier.

These proactive measures ensure that Aareon not only complies with legal requirements, but also ensures continuous monitoring and adaptation to potential risks in the supply chain.

## PREVENTIVE AND REMEDIAL MEASURES

The results of the risk analyses have an impact on the relevant business processes and our supplier management by defining targets and measures at appropriate points. Our aim is to protect those who could (potentially) be affected and to identify, prevent or at least minimise negative impacts on their human and environmental rights.

We have established the following measures in particular in our own business division and with our suppliers:

- Publication and implementation of this policy statement
- Group-wide Code of Conduct for employees
- Commitment of suppliers to the Code of Conduct for Suppliers within the framework of general agreements and in the case of order-based individual contracts in which reference is made to the conditions of the Code of Conduct for Suppliers as co-applicable conditions.
- Appointment of a human rights officer to monitor risk management for compliance with due diligence obligations under the Supply Chain Due Diligence Act
- Further training and sensitisation of employees
- Deriving the need for action from the results of the risk analyses
- Handling and treatment of potential risks or violations reported via the whistleblowing system
- Aareon's product diversity is also certified with product test certificates in accordance with the

IDW audit standard, which attest to high quality and security.

**Further [certificates at Aareon](#)**

If Aareon has a reasonable suspicion or concrete indication of a possible violation of human or environmental rights, it shall immediately take measures to end the violation or minimise the risk. If a supplier violates human or environmental rights, Aareon will take suitable and appropriate measures to end this violation within the supply chain. Our aim is to minimise the extent of the impairment. In addition, we are committed to redress and actively advocate positive change.

Aareon reserves the right to exercise its contractual rights vis-à-vis its business partners, in particular by obliging them to assist in the clarification of the facts concerning them and to cooperate fully within a reasonable timeframe.

## COMPLAINTS PROCEDURE

We have introduced a whistleblowing system at Aareon to ensure that we comply with all necessary due diligence obligations in our own business area and in our supply chain. The complaints procedure set up by Aareon serves as an early warning system. This system offers our employees, customers, service providers and other external persons the opportunity to report potential violations of obligations in the supply chain. Human rights and environmental risks can be identified and minimised before people or the environment are harmed. Reports can be made anonymously or non-anonymously, depending on the

whistleblower's wishes. There will be no reprisals for those who submit a report.

The central Compliance-Function of the Aareon Group is the recipient of the reports. It coordinates the further processing of the reports and ensures that all information is treated confidentially.

**Weblink to the whistleblower system:**  
<https://www.aareon.com/Unternehmen/Compliance.276990.html>

**Free and anonymous whistleblower hotline:**  
Mon. - Fri.: 09:00 - 17:00  
Phone: +49 800 3800 999

## EFFECTIVENESS CONTROL

The appropriateness and effectiveness of the measures to fulfil the due diligence obligations under the Supply Chain Due Diligence Act are checked annually and on an ad-hoc basis if necessary.

## DOCUMENTATION AND REPORTING

The implementation of our due diligence obligations is systematically documented and communicated transparently to the outside world.

In addition, we will publish the catalogue of questions answered by the Federal Office of Economics and Export Control (BAFA) on our company website after the end of each financial year in accordance with legal requirements. These measures serve to increase our transparency and ensure that the public can obtain easily accessible information about our efforts in the area of due diligence.