MünchenerHyp

# 2026 Statement on Slavery and Human Trafficking according to the UK Modern Slavery Act

With this document Münchener Hypothekenbank eG (short "MHB") declares according to Section 54 of the UK's Modern Slavery Act 2015 that MHB supports the Act and its objective to eradicate all forms of modern slavery and human trafficking. In the following the Bank constitutes the status and the measures taken during its 2026 financial year ending 31st December 2026 to ensure that slavery and human trafficking do not occur in any of its supply chains or any part of its business.

## Business Model

MHB is a German credit institution specialising in residential and commercial property financing for private and professional customers. It is an independent credit institution with no majority shareholder and currently has around 54,000 members. MHB belongs to the Cooperative Financial Network (Genossenschaftliche FinanzGruppe).

The Bank is active in both national and international markets. In commercial property financing MHB is doing business among others in the UK, though there exists no separate branch. Here the Bank finances existing properties with a focus on residential, office, retail and logistics properties.

## Supply chain

When considering MHB's value chain, both the upstream and downstream value chain need to be considered and analysed.

The upstream value chain primarily comprises loan funding, as well as suppliers and service providers for the Bank's own operations. Regarding social aspects, suppliers' and service providers', employees and indirectly those involved in providing services and products are relevant.

Within the company, the primary downstream impacts that need to be considered concern the company's own employees, as well as employees of service providers, business partners and customers. No direct (business) relationships exist with other stakeholders in the downstream value chain, such as the employees of companies in the building trades.

## Corporate policies, governance and measures

The Board of Management of MHB is responsible for compliance with Human Rights. The operational implementation lays with the Non-Financial-Riskmanagement team. It is reflected in the following guidelines and measures.

## Human Rights Policy

MHB has established a dedicated Human Rights Policy (revised in 2026) that applies to MHB and its subsidiaries and is directed at all employees, managers and members of the Board of Management. The policy reflects MHB's commitment to the following international frameworks:

- Universal Declaration of Human Rights of the United Nations
- UN Covenants on Civil, Political, Economic, Social and Cultural Rights
- ILO Core Labour Standards – in particular freedom of association, prohibition of forced and child labour, and non-discrimination
- Principles of the UN Global Compact
- UN Guiding Principles on Business and Human Rights (UNGP)
- European Convention on Human Rights
- German Supply Chain Due Diligence Act (Lieferkettensorgfaltsgesetz)

### Code of Conduct

As a common guideline, the Code of Conduct (last updated in 2026, signed by the entire Board of Management and published on MHB's homepage) sets out binding standards for legally compliant, responsible and ethically oriented, sustainable business conduct and applies to all employees, including the members of the Management Board of MHB and its subsidiaries, as well as to its external business partners.

Regarding human rights, it states that MHB is committed to the United Nations Universal Declaration of Human Rights and the conventions of the International Labor Organization (ILO). In the day-to-day business, human rights are respected, and appropriate action is taken if any kind of violation is suspected.

### Supplier guideline

Based on the Code of Conduct, the supplier guideline was revised in 2026.

In 2022 already, the Facility Management department conducted a survey on supply chain management among its suppliers. The survey revealed that there was no need for action in terms of a change of suppliers. The survey was repeated in 2024.

### ESG-scoring

MHB's ESG scoring framework incorporates whether a borrower has made a declaration or commitment to uphold human rights in line with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Global Compact, or the ILO Labour Standards. The ESG score is applied as part of the credit assessment process for commercial real estate financing.

### Responsible Investment Policy

MHB also considers potential ethical and social consequences in connection with the investments that it makes itself. The Bank's responsible investment policy defines exclusion criteria based on the Freedom House

Index and the Democracy Index. For example, the Bank avoids investments in countries where human and civil rights and democratic structures do not exist or are systematically violated. An annual screening process is carried out to check the conformity of the investments with the policy criteria.

### Whistleblowing system

Employees can report a specific suspicion or a fraudulent or other illegal act anonymously via MHB's whistleblower system. Employees are informed in the written rules of the Bank about the system set up and its channels.

If employees of MHB, its subsidiaries or business partners have questions or remarks about MHB's Code of Conduct, the Compliance department is the first point of contact. If customers or partners also have complaints beyond, the Bank has set up a corresponding management system.

### KYC-process

The exclusion of business with sanctioned customers is ensured by established processes. Special verification obligations also apply to lending business that could entail reputational risks. If potential customers are suspected of disregarding human rights in individual business, the Bank orders a review.

Furthermore, new and existing customers are identified and verified as part of the KYC process, including preventive screening against current embargo and sanctions lists. Where there is evidence that a potential commercial business partner violates human rights, this may – following a case review – result in the rejection of the respective business.

### Training and awareness

All employees have access to a training platform covering various sustainability topics and are required to complete a mandatory ESG training course.

## Compliance with the UK Modern Slavery Act

MHB affirms its commitment to taking steps to ensure that slavery and human trafficking are not taking place in its business or supply chains.

This Statement will be reviewed annually and updated as required.

Reviewed and approved by MHB's Board of Management on 22 October 2026



*Dr. Holger Horn, CEO, Münchener Hypothekenbank eG*