

Declaration of Mittelbrandenburgische Sparkasse on its Responsibility for Human Rights and the Environment in its Supply Chains and in its own Area of Business

1. Preamble

This document is the voluntary declaration of Mittelbrandenburgische Sparkasse (MBS) on its responsibility for human rights and the environment in its supply chains and in its own area of business. It shall apply to MBS's own area of business and to its suppliers. MBS's own area of business comprises its own employees. MBS's own area of business also includes the area of business of affiliated companies over which MBS exercises a controlling influence. Thus, this statement also includes Weberbank Actiengesellschaft.

MBS is committed to its responsibility for human rights and the environment in its supply chains. Accordingly, MBS will comply with the provisions of the German Act on the Entrepreneurial Duty of Care in Supply Chains (Lieferkettensorgfaltspflichtengesetz – LkSG)¹ and the conventions listed in its Annex and expects the employees in its own area of business and its suppliers to protect human rights and the environment as required by the LkSG and described in more detail therein. MBS also expects its suppliers to adequately address this expectation along the supply chain.

2. Fulfilment of duties of care

In order to fulfil its duties of care, MBS will use risk management to identify and minimise human rights-related and environmental risks and to prevent, end or minimise the extent of violations of human rights-related or environmental duties. MBS will anchor corresponding processes in all relevant business processes:

¹ The LkSG is available online at: <https://www.gesetze-im-internet.de/lksg/>

a. Performance of risk analyses

In the course of this, MBS will conduct risk analyses in its own area of business as well as with regard to its suppliers. These risk analyses are carried out once a year and on an ad hoc basis.

Within the framework of an abstract risk analysis, possible human rights- and environment-related risks will first be identified on the basis of defined risk factors. If a relevant risk is identified, MBS will carry out a specific risk analysis in the next step.

b. Prevention measures regarding its own area of business

Should MBS identify a relevant risk in its own area of business based on the abstract risk analysis, it will take appropriate preventive measures, in particular:

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

c. Preventive measures vis-à-vis suppliers

Should MBS identify a relevant risk at a direct supplier based on the abstract risk analysis, it will take appropriate preventive measures, in particular:

1. Consideration of human rights and environmental expectations when selecting a direct supplier,
2. Contractual assurance from any direct supplier that it will comply with the human rights-related and environmental requirements required by the company's management and adequately address them along the supply chain,
3. Agreement of appropriate contractual control mechanisms and the carrying out of training and further education to enforce the contractual assurances of the direct supplier in accordance with point 2,
4. Carrying out 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 MBS obtains substantiated knowledge of a possible violation of human rights-related or environmental duties at indirect suppliers, it will immediately, on an ad hoc basis

1. Carry out a risk analysis,
2. Stipulate appropriate prevention measures vis-à-vis the responsible party,
3. Develop and implement a concept to minimise and avoid the violation of a protected legal interest or environmental duty; and
4. Update its declaration accordingly, if necessary.

d. Remedial action

Should an actual or imminent violation of human rights-related or environmental duties be identified in its own area of business or at a supplier, MBS will take remedial action to prevent, end or minimise the extent of such violation. For its own area of business, this means the immediate prevention of the implementation of or stopping the infringing action. With regard to the supplier, the specific remedial action to be taken will be determined with the responsible persons in each individual case. Remedial action may, where appropriate, extend to temporary suspension or termination of the business relationship.

e. Complaints procedure

In order to learn about human rights-related and environmental risks at an early stage and to be able to offer support and take remedial action in good time, MBS will set up a complaints procedure from 1 January 2024. Through this complaints procedure, which will be accessible via the MBS website, individuals can provide written advice and information to the function within MBS responsible for receiving it.

f. Documentation and reporting

MBS will continuously document the measures taken within the scope of risk management. Based on the risk analyses carried out, an annual report will be prepared and submitted to the responsible supervisory authority, the Federal Office of Economics and Export Control (*Bundesamt für Wirtschaft und Ausfuhrkontrolle*), and posted on the MBS website for the public to view.

3. Annual and ad hoc review

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

Declaration on Responsibility for Human Rights and the Environment in its Supply Chains and in its own Area of Business with a view to the German Act on the Entrepreneurial Duty of Care in Supply Chains

(Lieferkettensorgfaltspflichtengesetz – LkSG) · V. 1 09/2023

4. Continuous further development

This declaration is subject to continuous further development. This includes, among other things, further information pursuant to § 6 para. 2 sent. 3 nos. 2 and 3 LkSG, if applicable, based on the results of the risk analyses carried out in the future.

Potsdam, this 16/10/2023