

# Modern Slavery – Slavery and Human Trafficking Statement

29 November 2022

This document refers to the UK Branch of Deutsche Pfandbriefbank AG only.

This document is issued pursuant to section 54(1) of the UK Modern Slavery Act 2015 (the Act) and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2021, relating to the steps and other measures taken by pbb to ensure that slavery and human trafficking is not taking place in any of our supply chains, or in any part of our own business.

## Organisational structure

Deutsche Pfandbriefbank AG (pbb) is a leading European specialist bank for real estate and public investment finance. It is a limited liability company incorporated under the laws of Germany headquartered in Munich and listed on the Frankfurt Stock Exchange. In addition to Germany, pbb has established operations in the United States as well as other European countries, including a branch establishment in London. The operation is subject to limited regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website.

Further information about our business, including how we are regulated, is available on our website [www.pfandbriefbank.com](http://www.pfandbriefbank.com)

## Supply chain relationships

pbb's business activity is subject to significant regulation and does not operate directly in an industry with a high risk of modern day slavery. Its principal supply chains involve office suppliers (including maintenance and management), professional advisory services and information technology. Nevertheless, pbb recognises that no business is sheltered entirely from such risks. As such, the London Branch of pbb therefore repeated a due diligence exercise in 2021 to seek to identify key suppliers to our business that we consider may be exposed to greater risk, with respect to issues related to modern slavery, bonded labour and human trafficking. The focus of such an exercise was to ensure that our suppliers provided confirmation to us of their policies, procedures and other measures implemented to mitigate such risks. Of the suppliers contacted, all had a statement in place, provided a satisfactory response or otherwise fell below the turnover threshold that required any action according to the terms of the Act.

Pbb London Branch originally reviewed its procurement processes in 2019 in order to be able to assess whether they took into account the expectations of Act. It was agreed at that review, should pbb London Branch look to appoint a new supplier it will take steps to ensure that they meet those expectations.

In 2021, pbb Group reaffirmed its adherence to observe international best practice in respect of human rights standards and guidelines, including the international Bill of Human Rights of the United Nations and the European Convention on Human Rights. Following the review pbb again confirmed that it expressly distances itself from any violation of human rights, stating that transparency, honesty and fairness, as well as dignity and respect are among its core maxims. Furthermore, pbb is committed to preventing discrimination against its employees, whether on the basis of age, disability, gender, sexuality, ethnic or social background, skills, sexual orientation or religion.

## Policies

These commitments have been reinforced by the creation of the Group Guidelines on human rights, which is available to view on the Corporate Responsibility section of the Group website.

Consistent with the statements above, our commitment to fair employment practices in relation to our own employees also remains embodied in both our Code of Conduct and Whistleblowing Policies, and these are reviewed at least annually. These provide our employees with information regarding pbb's commitment to ethical business practices and expressly refer to the expectation of pbb that vendors and suppliers will be committed to sustainability and whose operations are consistent with our own ethical standards.

### **Training and awareness**

Pbb London Branch initially sourced external training to address the Act specifically, its requirements and the wider expectations arising from its introduction. The Bank continues to monitor how similar financial institutions as well as HM Government are developing best practices and controls in this field. Information relevant to this topic has also been circulated to London staff in order to maintain an awareness of this important topic.

### **Risks**

In 2016, the London Branch reviewed our terms of engagement, which would be issued to new suppliers. The review recommended controls designed to establish the application and practices aimed at ensuring that we ourselves would not be exposed to the risks identified by the Act. Pbb London Branch's own terms [of engagement] reinforce expressly our commitment to ensuring that our business and supply chains are free from slavery, bonded labour and human trafficking. pbb London Branch has not entered into any new supplier relationships since the inception of the Act.

### **Future Policy**

The London Branch has prepared a questionnaire that has been sent to UK suppliers where pbb London Branch assessed a greater risk of exposure under the Act. That questionnaire was initially distributed to suppliers during the course of in 2017, 2018 and again in 2021. The questionnaire has been integrated into the new supplier / service provider procurement process within pbb London Branch.

More generally and extending beyond the London Branch specifically, pbb will continue to monitor legal developments in relation to the prevention of slavery, bonded labour and human trafficking and update its own controls and practices accordingly across its geographical areas of operation (being Europe and the United States).

### **Approval for this statement**

This statement was approved by the Management Board of pbb on 29 November 2022