

PEPER & SÖHNE



P&S CODE OF CONDUCT

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PREFACE

This guideline serves to concretize the principles laid down in the company's own mission statement and to raise awareness of responsible behaviour with integrity. All employees and the management of Peper & Söhne GmbH undertake to comply with the following regulations. Violations of this code will be consistently penalized.

Peper & Söhne is aware of its responsibility to respect human rights as part of its business activities and is committed to complying with the following international standards:

- International Bill of Human Rights
- United Nations Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Core Labour Standards of the International Labour Organization (ILO)

To improve readability, the text does not use both masculine and feminine forms and uses the generic masculine.



RESPONSIBILITY IN OUR SOCIETY

Declaration of human rights

Peper & Söhne and its employees respect and support internationally recognized human rights. We strictly reject all forms of forced and child labour.

A human rights officer in the company is responsible for reviewing and evaluating possible violations. In the event of a violation of human rights, we immediately take appropriate measures to prevent or end it.

At Peper & Söhne, we are actively committed to equality, diversity and inclusion. We believe that diverse teams lead to better results and therefore specifically promote an inclusive corporate culture.

Concrete measures to promote diversity and inclusion:

- Flexible working time models to improve work-life balance
- Regular review and adjustment of salary structures to ensure equal pay

Dealing with discrimination:

- Any form of discrimination, harassment or bullying is not tolerated at Peper & Söhne
- Employees are encouraged to report incidents of discrimination immediately
- Reported incidents are investigated confidentially and thoroughly
- Confirmed violations will be followed by disciplinary action, ranging from warnings to dismissal, depending on their severity

We are committed to continuously reviewing and developing these principles to ensure an inclusive working environment for all employees.

Environmental and climate protection

As an investor and developer of commercial property, we are aware of our special responsibility towards the environment: the life cycle of a property begins with project planning. This is where the foundations of a sustainable building must be laid, as the scope for influencing materials, CO₂ emissions or operation decreases as the life cycle progresses.

We consider sustainability in both a strategic and operational sense, proving that we can make a contribution to climate and resource protection and an ESG-compliant economy in property project development.

In order to implement the high ESG requirements for our projects, each project is assessed on the basis of our sustainability guidelines. This includes specific measures on

ecological, economic and social issues. Decisions are made on an individual basis as to which of the measures can be sensibly implemented.

Specific environmentally friendly practices in property development include:

- Sustainable materials: Preference for recycled and recyclable building materials
- Energy efficiency: Implementation of the latest energy efficiency standards in all new buildings (EG-40 standard / EG-55 standard)
- Green roofs and facades: Installation of green roofs and facades to improve the microclimate and biodiversity
- Water management: Integration of rainwater utilisation systems and water-saving fittings in new buildings
- Electromobility: Equipping all car parks in all new construction projects with charging stations for electric vehicles
- Timber construction: Increasing the proportion of timber as a building material
- Circular economy: Development of a concept for the recyclability of our buildings
- Comprehensive biodiversity strategy: Integration of nesting opportunities for birds and insects and creation of green spaces with native plants in all new construction projects
- Active participation in industry initiatives to promote sustainable construction

In order to guarantee high quality, we have the sustainable performance of our properties certified by independent institutions such as the German Sustainable Building Council (Deutsche Gesellschaft für Nachhaltiges Bauen e.V.), which ensures appropriate standards and maximum transparency.

Further information can be found at <https://peperundsoehne.de/esg>.

Donations and sponsorship

Peper & Söhne is also aware of its social responsibility and is committed to social involvement. We support social projects and committed organisations, particularly in the areas of health, the environment and culture.

Donations and sponsoring are only permitted within the framework of the relevant legal provisions and in compliance with the applicable internal regulations.

A selection of the projects and organisations that we support can be found on our homepage.

Corporate Communications

Truthful reporting and clear and open communication with employees, customers, business partners and the public are a matter of course for us.



By providing information on our website, we also ensure transparency and give all interest groups a clear insight into our projects and values.

The content of every communication and advertising measure is scrutinised and coordinated with our Corporate Communications department.



RESPONSIBILITY IN THE WORKPLACE

Equal rights

All people, regardless of gender, age, ethnic origin, faith or sexual identity, are treated equally at Peper & Söhne. This is reflected, for example, in the balanced ratio of male and female employees in our company. We believe in equal opportunities and a fair and unprejudiced approach. New employees are selected and hired on the basis of their qualifications and skills.

Occupational safety

Peper & Söhne attaches great importance to occupational safety and the health of its employees.

For this reason, an annual inspection and instruction on occupational safety (risk assessment) is carried out by external experts. In addition, there are regular inspections by our trained fire safety officer to assess safety in the building. Every two years, employees are required to take part in specially organized first aid courses. Employees are released from work for the half-day course. There are permanent first aiders in the organization. As part of the regular training courses, employees are also taught how to use the defibrillators that are available on the company premises.

We offer our employees ergonomic, modern workspaces with height-adjustable desks. There are also retreats for particularly concentrated phases of work as well as inviting break and meeting rooms. We have also created a high quality of stay for the team with our outdoor facilities.

Opportunities for further training

Employee training not only contributes to a company's ability to innovate, but can also increase employee motivation and satisfaction. Personal skills development goes hand in hand with increased career opportunities.

For this reason, the company management emphasizes individual development and training opportunities. On average, each employee received 16 hours of further training in 2023. In addition to further training in the respective specialist area, cross-departmental skills are also promoted. Postgraduate courses or training are also possible. In addition, there are extensive subsidies for travel expenses.

Measures to promote further training and development:



- Individual development plans: Each employee draws up an annual development plan together with their manager.
- Training budget: Each employee has a training budget that can be used for individual training. This is done in consultation with the manager.
- Internal training courses: Regular internal training on technical and interdisciplinary topics.
- E-learning platform: Access to an extensive online learning platform with thousands of courses.
- Mentoring program: Experienced employees are available as mentors.
- Job rotation: Opportunity to move to other departments to acquire new skills.
- Leadership development: Special programs to promote leadership skills.
- Innovation workshops: Regular workshops to promote creativity and innovation.
- External certifications: Support in obtaining relevant industry certifications.
- Feedback culture: Regular 360-degree feedback to identify development potential.

Privacy policy

The protection against improper processing of personal data and the right to informational self-determination of employees, business partners, customers and others is safeguarded. Personal data is only collected, processed and stored in accordance with the statutory provisions.

An external data protection officer (OSYSCON GmbH) monitors compliance with data protection regulations within the meaning of the GDPR.

Further information can be found at <https://peperundsoehne.de/privacy-policy>.

IT security

Peper & Söhne attaches great importance to IT security and relies on a strict password policy and active password management. Regular sensitization sessions for the team, such as phishing simulations, help to raise awareness of cyber threats and train employees in dealing with potential attacks. By using solutions from well-known manufacturers, we ensure that the software and hardware used meet high security standards. Working closely with industry experts, we always stay informed about the latest threats and security strategies. Daily online and offline backups also ensure that a quick and complete recovery is possible in the event of data loss.

Complaints management

Peper & Söhne has a complaints management system in place to prevent negative human rights impacts. A platform has been created where help can be sought if a human

rights violation is suspected. We investigate all reports of human rights and environmental violations. All reports are treated confidentially in order to protect the whistleblower.

Our process ensures that all concerns are taken seriously and treated fairly.

Submission of complaints:

- Complaints can be submitted in person, in writing or via our anonymous online portal.
- A separate e-mail address is available for external stakeholders: external-complaints@peperundsoehne.de.

Handling process:

1. acknowledgement of receipt within 24 hours
2. assignment of an independent case handler
3. thorough investigation of the incident (target: conclusion within 14 days)
4. regular updates to the complainant
5. final report with findings and planned actions

Confidentiality and protection:

- All complaints are treated in strict confidence.
- The identity of the complainant will only be disclosed with their explicit consent.
- Retaliation against individuals who file complaints in good faith will not be tolerated and will result in disciplinary action.

We are committed to the continuous improvement of our complaints management and analyze all cases in order to identify and resolve systematic problems.

In addition, we conduct an annual anonymous employee survey to determine employee satisfaction, which is analyzed and discussed with the team. Potentials and suggestions for improvement are discussed seriously together and solutions are developed. If necessary, new guidelines are introduced.



RESPONSIBILITY IN THE BUSINESS ENVIRONMENT

Compliance with laws and regulations

Peper & Söhne complies with the national and international laws relevant to the company. We also expect our business partners and customers to comply with applicable law. All actions and contracts on the part of Peper & Söhne are therefore subject to legality.

Prohibition of corruption

We reject the abuse of a position of trust to obtain unlawful advantages. Peper & Söhne observes the criminal norms of the German Criminal Code (StGB). It is prohibited to accept or pay bribes in business dealings or in dealings with public officials. Payments must be transparent and proportionate to the consideration. Cash payments are to be avoided.

Risk management

Risk management at Peper & Söhne encompasses several key aspects in order to ensure sustainable and secure business activities. The internal control system (ICS) is audited by a tax consultant as part of the annual financial statements, which ensures the dual control principle.

Corporate controlling, including liquidity planning at various levels, is supported by an advisory board. The advisory board at Peper & Söhne acts in an advisory capacity. It advises the management on the strategic direction of the Group and on investment decisions that lie outside the defined core area of Peper & Söhne.

Risks in the construction process are minimized through close cooperation with partners, regular checks and weekly project controlling.

Careful planning of rental income and management to avoid tenant defaults are crucial to the company's financial stability.

Environmental risks are addressed through sustainable construction practices and the implementation of ESG measures. Furthermore, high data and IT security requirements protect sensitive information from cyber attacks.

Fair and free competition

Peper & Söhne attaches great importance to promoting fair and free competition, which is strengthened by the cornerstones of respect, integrity, transparency and fairness. These values are anchored in our corporate culture and guide our daily actions. For us, respect means honoring the rights of our competitors as well as the needs of our



customers. Integrity is reflected in our commitment to always act in accordance with the highest ethical standards. Transparency ensures that our processes and decisions are open and comprehensible, while fairness means offering equal opportunities and conditions to all parties involved. By consistently implementing and communicating these values, we build trust and thus secure the credibility of our company in the market.

Dealing with conflicts of interest

Decisions made by management and employees are based on objective criteria and in the best interests of the company; personal interests are not taken into account. Should conflicts of interest nevertheless arise, they are communicated openly with the line manager so that a solution can be found.

Prevention of money laundering and terrorist financing

Peper & Söhne complies with the German Money Laundering Act (GwG) and the corresponding EU directives. The identity of business partners is verified for new business relationships. Customer data is also regularly updated.

We reject the conversion of illegally acquired funds into legitimate funds in order to conceal their criminal origin. The aim of prevention is to prevent such transactions and protect the integrity of the financial system.

Taxes

As a company, we place the highest value on compliance with all tax regulations and see compliance with tax laws as a central part of our business responsibility.

Our reporting to the tax authorities is always complete, transparent and on time. Our employees systematically document and monitor the tax processes in order to ensure that all tax issues are dealt with properly. We are supported in this by an external tax consultant who provides us with expert advice and regularly reviews our tax activities. This careful approach, combined with the expertise of an external specialist, ensures that our tax obligations are fulfilled correctly and conscientiously, which in turn contributes to the long-term stability and integrity of our company.

Dealing with employee transactions

We attach great importance to the responsible handling of employee transactions, particularly with regard to insider information. We are committed to complying with legal requirements at all times and set clear guidelines for dealing with confidential information. Our employees are required to treat any insider information as strictly confidential and may not conduct any transactions based on such information.



ABOUT THIS DECLARATION

The implementation of the Code requires the commitment of the management and all employees. Regular training and information ensure that the Code is understood and observed.

Peper & Söhne takes violations of the Code of Conduct very seriously. We are convinced that the consistent enforcement of our ethical standards is crucial for the integrity of our company.

Possible consequences for violations:

1. Warning: A verbal or written warning may be issued for minor, first-time offences.
2. Training: In some cases, mandatory participation in special training or awareness-raising measures may be ordered.
3. Formal warning: For more serious or repeated offences, a formal warning may be issued.
4. Salary reduction or bonus withdrawal: In certain cases, financial consequences such as salary reductions or the withdrawal of bonus payments may be the result.
5. Transfer: A transfer to another position or department may be ordered if this helps to prevent further offences.
6. Suspension: In the event of serious offences, a temporary suspension with or without pay may be imposed.
7. Dismissal: In cases of serious or repeated offences, termination with or without notice may be imposed.
8. Legal action: In the event of violations of applicable law, the company reserves the right to take legal action, including criminal charges or civil action.
9. Compensation for damages: In cases where the company has suffered damages as a result of the violation, compensation for damages may be claimed.

The nature and severity of the consequences will depend on the nature and severity of the offence.

This declaration was drawn up in consultation with all management positions, the Executive Board and the Advisory Board. As the challenges relating to this topic are constantly changing, the contents are continuously reviewed and checked for plausibility.



This declaration comes into force on 01.10.2024.

If you have any questions or comments, complaints or reports of possible violations of this declaration or other human rights-related issues, please contact external-complaints@peperundsoehne.de.

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