

## SECOND PARTY OPINION (SPO)

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Sustainability Quality of the Issuer and Social Bond Framework

Berlin Hyp AG  
06 April 2022

### VERIFICATION PARAMETERS

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Type(s) of instruments contemplated	<ul style="list-style-type: none"><li>• Social Bonds Financing Instruments<sup>1</sup></li></ul>
Relevant standards	<ul style="list-style-type: none"><li>• Social Bond Principles (June 2021), administered by the International Capital Market Association</li></ul>
Scope of verification	<ul style="list-style-type: none"><li>• Berlin Hyp Social Bond Framework (as of 15.03.2022)</li></ul>
Lifecycle	<ul style="list-style-type: none"><li>• Pre-issuance verification</li></ul>
Validity	<ul style="list-style-type: none"><li>• As long as there are no material changes to the Framework</li></ul>

<sup>1</sup> Social financing instruments included in the scope of Berlin Hyp's Social Bond Program are as following: covered bonds (Social *Pfandbriefe*); Senior unsecured bonds (Social senior preferred and Social senior non-preferred); Social subordinated debt, limited to Social Tier 2; Social short term debt, limited to Social Commercial Paper.

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## SCOPE OF WORK

Berlin Hyp AG (“Berlin Hyp” or “the Issuer” or “the company”) commissioned ISS ESG to assist with its Social Bonds by assessing three core elements to determine the sustainability quality of the instrument:

1. Social Bonds link to Berlin Hyp’s sustainability strategy – drawing on Berlin Hyp’s overall sustainability profile and issuance-specific Use of Proceeds categories.
2. Berlin Hyp’s Social Bond Framework (15.03.2022 version) – benchmarked against the International Capital Market Association's (ICMA) Social Bond Principles (SBP).
3. Berlin Hyp’s Eligible Social Assets – whether the projects contribute positively to the UN SDGs and perform against ISS ESG’s issue-specific key performance indicators (KPIs) (See Annex 2).

## BERLIN HYP BUSINESS OVERVIEW

Berlin Hyp provides commercial real estate financing services in Germany. The company finances office and commercial buildings, retail and residential properties, as well as hotels, and logistics and care properties.

It offers additionally guarantees, rent deposit management, and building contractor and development financing services. While on the capital market, the company issues mortgage Pfandbriefe, and senior unsecured and subordinated bonds<sup>2</sup>

Berlin Hyp was founded in 1868 and it is headquartered in Berlin. On January 26, 2022 Landesbank Baden-Württemberg (LBBW) has announced the acquisition of the company. It also has domestic sales offices in Düsseldorf, Frankfurt am Main, Hamburg, Munich and Stuttgart, as well as abroad in Amsterdam, Warsaw and Paris, as of 31 December 2020. The headcount as of 31 December 2020 was 595 (including full-time and part-time employees)<sup>3</sup>.

### Property types in %



Source: Berlin Hyp Annual Report, as of 31 December 2020

<sup>2</sup> ISS ESG, 12 February 2022, Corporate Rating: Berlin Hyp.

<sup>3</sup> Berlin Hyp, 31 March 2021, Defining values and living Up to them: Annual Report 2020, <https://www.berlinhyp.de/en/media/newsroom/annual-report-2020-13489?file=files/media/corporate/newsroom/finanzberichte/en/2021/geschaeftsbericht-2020/pdf/bhyp-gb-zahlenteil-gesamt-eng-2020.pdf>

## ISS ESG ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION <sup>4</sup>
<p><b>Part 1:</b></p> <p><b>Social Bonds link to issuer's sustainability strategy</b></p>	<p>According to the ISS ESG Corporate Rating published on 06.04.2022, the issuer shows a high sustainability performance against the industry peer group on key ESG issues faced by the Mortgage and Public Sector Finance sector. The issuer ranks 4<sup>th</sup> out of 130 companies within its sector.</p> <p>The Use of Proceeds financed through Social Bonds are consistent with the issuer's sustainability strategy and material ESG topics for the issuer's industry. The rationale for issuing Social Bonds is clearly described by the issuer.</p>	<p><b>Consistent with issuer's sustainability strategy</b></p>
<p><b>Part 2:</b></p> <p><b>Alignment with SBP</b></p>	<p>The issuer has defined a formal concept for its Social Bonds regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the Social Bond Principles (SBP).</p>	<p><b>Aligned</b></p>
<p><b>Part 3:</b></p> <p><b>Sustainability quality of Berlin Hyp's Eligible Social Assets</b></p>	<p>The overall sustainability quality of Berlin Hyp's Eligible Social Assets in terms of sustainability contributions, risk avoidance and minimization is good based upon the ISS ESG assessment. The Social Bonds will (re-)finance eligible asset categories which include: affordable housing, social housing<sup>5</sup>.</p> <p>Those use of proceeds categories have a significant contribution to SDGs 1 'No poverty', 10 'Reduced inequalities', and 11 'Sustainable cities and communities'. The environmental and social risks associated with those use of proceeds categories have been well managed.</p>	<p><b>Positive</b></p>

<sup>4</sup> ISS ESG's evaluation is based on the Berlin Hyp's Social Bond Framework (15.03.2022 version), and on the ISS ESG Corporate Rating updated on the 12.02.2022 and applicable at the SPO delivery date.

<sup>5</sup> According to ISS ESG methodology, affordable housing does not address a specific target population whilst social housing specifically addresses underserved populations such as low-income communities.

## ISS ESG SPO ASSESSMENT

### PART I: SOCIAL BONDS LINK TO BERLIN HYP'S SUSTAINABILITY STRATEGY

#### A. ASSESSMENT OF BERLIN HYP'S ESG PERFORMANCE

The ISS ESG Corporate Rating provides material and forward-looking environmental, social and governance (ESG) data and performance assessments.

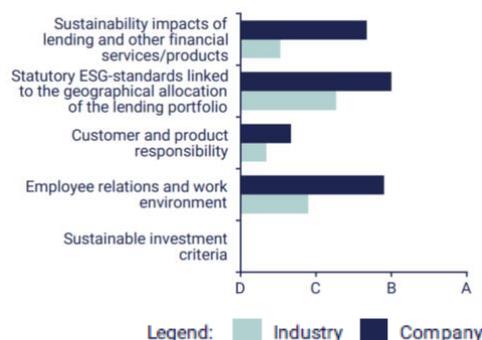
COMPANY	INDUSTRY	DECILE RANK	TRANSPARENCY LEVEL
<b>BERLIN HYP</b>	<b>Mortgage &amp; Public Sector Finance</b>	<b>1</b>	<b>VERY HIGH</b>

This means that the company currently shows a high sustainability performance against peers on key ESG issues faced by the Mortgage & Public Sector Finance industry as it obtains a Decile Rank relative to its industry group of 1, given that a decile rank of 1 indicates highest relative ESG performance out of 10.

#### ESG performance

As of 06.04.2022, this rating places Berlin Hyp 4<sup>th</sup> out of 130 companies rated by ISS ESG in the Mortgage & Public Sector Finance industry.

Key challenges faced by companies in this industry in terms of sustainability management are displayed in the chart on the right, as well as the issuer's performance against those key challenges in comparison to the average industry peers' performance.



#### Sustainability Opportunities

With regard to the company's main sphere of activities, large-volume real estate financing, there is potential for the provision of financing to social housing. Albeit some loans of that kind were granted to charitable housing cooperatives, volumes are not publicly disclosed and thus such finance is estimated to remain still modest. On the other hand, around 6% of the company's total business is for affordable housing. In the environmental domain, the company endeavors to promote environmentally friendly commercial real estate by issuing several green bonds in different assets classes (e.g., Pfandbrief, senior preferred, senior non-preferred, Tier 2, Commercial Paper). Underlying assets qualify for Berlin Hyp's Green Finance Portfolio through certain green building standards, such as BREEAM, LEED or DGNB and through energy-efficiency certificates. About 25 percent of the company's total loan portfolio account for such sustainable buildings (as at December 2021).

### *Sustainability Risks*

The company's loan book claims are mainly distributed throughout Germany, France and the Netherlands, countries with fairly good environmental and social minimum standards. Hence, risks from Berlin Hyp's financing activities appear moderately low. Moreover, for managing its social and environmental risks stemming from loan origination, Berlin Hyp applies comprehensive guidelines concerning its real estate financing segment. Guidelines include client-related stipulations in various environmental and social areas, from resource efficiency, pollution, biodiversity aspects and climate change impacts to human and labor rights, community matters such as noise and traffic, and regarding vulnerable population groups. Although Berlin Hyp is pioneering the sector with such comparatively sophisticated guidelines, there is room for improvement for the institute to establish a more elaborated system for compliance in that area. With regard to its own (liquidity) investment portfolio, the bank uses a set of exclusion criteria concerning controversial business sectors and practices. These are followed through with an appropriate management approach. Since the company does not engage in retail finance and deals with professional real estate investors and developers only, customer-related risks appear manageable. However, only initial steps are taken on responsible sales practices as well as towards the treatment of clients with debt repayment problems.

A policy covering workplace security is in place and there is no evidence on large-scale redundancies over the last years. Various working time models ensure adequate work-life balance of its employees and the company addressed health and safety issues with a company-wide management system, which covers also aspects of psychological well-being.

With regard to its governance processes, Berlin Hyp applies policies covering various important compliance issues, like corruption, insider trading and money laundering, antitrust, gifts and favors. Necessary procedures to ensure application of the rules are present through employee trainings, compliance risk assessments and whistleblowing procedures.

### *Governance opinion*

The company's governance structure allows for an appropriate separation of managerial and supervisory functions with the entirety of members of the board qualifying as independent, including the board's chairman Mr Helmut Schleweis (as at October 21, 2020). Furthermore, the board has established committees concerning audit, nomination and remuneration, all composed of independent members. Compensation for the executive management team is reported for each individual, split up according to fixed and variable amounts as well as long-term incentives.

Regarding the company's governance of sustainability, a supervisory board committee dedicated to sustainability appears to be missing. In addition, ESG criteria apparently are not incorporated into the bank's executive remuneration scheme. Berlin Hyp's code of conduct covers all relevant aspects of business ethics, such as corruption, insider trading, conflicts of interest, antitrust, gifts and favors, of which some are reflected on in more detail. Application of the rules is ensured by employee trainings, compliance risk assessments and adequate whistleblowing procedures.

### *Sustainability impact of products and services portfolio*

Using a proprietary methodology, ISS ESG assessed the contribution of Berlin Hyp's current products and services portfolio to the Sustainable Development Goals defined by the United Nations (UN SDGs).

This analysis is limited to the evaluation of final product characteristics and does not include practices along Berlin Hyp's production process.

PRODUCT/SERVICES PORTFOLIO	ASSOCIATED PERCENTAGE OF REVENUE	DIRECTION OF IMPACT	UN SDGS
<b>Financing of affordable housing (for low- to median-income households)</b>	5.8%	CONTRIBUTION	  
<b>Financing of buildings certified to a comprehensive sustainable building standard</b>	19.3%	CONTRIBUTION	  

*Breaches of international norms and ESG controversies*

As of 06.04.2022, the company is not facing any severe controversy.

## B. CONSISTENCY OF SOCIAL BONDS WITH BERLIN HYP'S SUSTAINABILITY STRATEGY

### *Key sustainability objectives and priorities defined by the issuer*

In 2013, Berlin Hyp started integrating numerous ESG criteria into its existing policy and practices, leading to the company's financing of energy-efficient green buildings which is material to its core business: commercial real estate lending. Berlin Hyp's ambition to have a leading position in green finance was translated into concrete terms by setting a strategic performance target (SPT) to expand its Green Finance Portfolio to 20 percent of its overall loan portfolio by year-end 2020 – which was achieved a year ahead of schedule. In 2021, the company expanded on its sustainability strategy by launching its 'ESG Target Visions' which consists of four different dimensions, as shown in the graph below<sup>6</sup>.

Key elements of the ESG Target Vision's sustainable business portfolio dimension are as follows:

1. Reduction of CO<sub>2</sub> intensity in the portfolio and climate-neutral portfolio by 2050 at the latest
2. A portion of 1/3 of loans is designated for energy efficient green buildings in Berlin Hyp's loan portfolio by 2025
3. Establishment of 100 percent portfolio transparency by 2023 – prerequisite for a systematic determination of energy performance as well as carbon and climate risks within Berlin Hyp's overall loan portfolio by 2025
4. Enhance advice and financing for customers who seek the transition to energy-efficient properties
5. 40 percent of Berlin Hyp's capital markets funding mix to consist of ESG refinancing instruments by 2025



Source: Berlin Hyp 2022 Social Bond Framework

Nonetheless, Berlin Hyp's ESG policy expands beyond the environmental goals. The Bank acknowledges the increasing social significance of the real estate sector and aims to strengthen its relevance in its core lending business.

Berlin Hyp's strategy on social issues takes a two-dimensional approach: an internal strategy (horizontal dimension) within the entity level and an external strategy (vertical dimension) related to its impact on society outside of its own entity. The intended purpose of these strategies is for Berlin Hyp to address different salient social issues.

On an entity-level, Berlin Hyp reports that it addresses human capital management issues by the following practices: creating a healthy and motivating corporate culture, following practices in relation to occupation healthy and safety in accordance with legal requirements or as regulated by "Betriebsvereinbarung" (an agreement between staff and management representative), investing in employee training and ensuring diversity and inclusion through policy commitment and several measures.

<sup>6</sup> Berlin Hyp, 2021, Sustainability Report: One world, One goal, One Team, <https://www.berlinhyp.de/files/media/corporate/nachhaltigkeit/strategie/en/bhyp-fl-esg-positions-papier-eng-ew2.pdf>

While on its external societal impact, the company states that it addresses its relationship with suppliers, and its investment criteria – with the purpose of making sure that its investments have a positive contribution to the society. The company explains that it does that through an investment criteria based on the ten principles of the Global Compact, other internationally recognized sustainability standards and the Bank's compliance requirements, Berlin Hyp conducts a negative screening to ensure that adverse societal impacts are avoided.

### *Rationale for issuance*

Berlin Hyp considers that the business activities conducted in the real estate industry are an important contribution to economic prosperity and social well-being. The infrastructure which the industry develops, builds, and maintains, creates fundamental value for the economy and serves as the basis for commercial and retail activity, as well as the development of the housing market.

The housing situation in Germany and the Netherlands are under pressure for years. In Germany, the increase in rents over the past decade has outpaced the European average<sup>7</sup>. The average rent in 2019 in Germany consisted of up to 30 percent of the household net income<sup>8</sup>, while approximately 14 percent of the population were overburdened by their housing costs in 2020 - meaning more than 40 percent of disposable income was spent on housing<sup>9</sup>. In retrospect, Germany's proportion of social housing<sup>10</sup> is very low, accounting for approximately 2.7 percent of the total housing stock and is aggravated by a shortfall of social housing, expected to reach up to 600,000 units for the period 2014-2025<sup>11</sup>.

While in the Netherlands, the sluggish expansion of new construction in combination with a strong increase in the number of households has contributed to an overall housing shortage in 2020 estimated to be 331.000 dwellings, around 4.2 percent of the total stock<sup>12</sup>. This explains the sharp increase in rents of 15 percent over the last five years<sup>13</sup>. For households at the lower end of the income spectrum (gross income of up to 34,299 euros), the situation has been even more drastic, with the gross housing expenses reaching almost 40 percent in 2015. This development is a key driver for societal inequalities and spatial segregation. .

That said, Berlin Hyp aims to support these challenges and acknowledges its social responsibility to promote the availability of affordable<sup>14</sup> living space through issuance of social bonds.

### *Contribution of Use of Proceeds categories to sustainability objectives and priorities*

ISS ESG mapped the Use of Proceeds categories financed under these Social Bonds with the sustainability objectives defined by the issuer, and with the key ESG industry challenges as defined in

<sup>7</sup> Housing Europe, 2021, The State of Housing in Europe, <https://www.stateofhousing.eu>

<sup>8</sup> Bundesministerium des Innern, für Bau und Heimat (BMI), 2020, Vierter Bericht der Bundesregierung über die Wohnungs- und Immobilienwirtschaft in Deutschland und Wohngeld- und Mietenbericht 2020.

<sup>9</sup> Destatis (29.10.2020). « 14% der Bevölkerung im Jahr 2019 durch Wohnkosten überlastet ». Pressemitteilung Nr. 428. [https://www.destatis.de/DE/Presse/Pressemitteilungen/2020/10/PD20\\_428\\_639.html](https://www.destatis.de/DE/Presse/Pressemitteilungen/2020/10/PD20_428_639.html)

<sup>10</sup> According to Housing Europe, social housing by the German definition is housing, which is built using state financial supports, in return for which the owners must provide a legally defined sub-market rent to low and moderate income households.

<sup>11</sup> Housing Europe, 2021, The State of Housing in Europe, <https://www.stateofhousing.eu>

<sup>12</sup> Housing Europe, 2021, The State of Housing in Europe, <https://www.stateofhousing.eu>

<sup>13</sup> Peter Boelhouwer, 2020, The housing market in The Netherlands as a driver for social inequalities: proposals for reform, International Journal of Housing Policy, 20:3, 447-456, DOI: 10.1080/19491247.2019.1663056

<sup>14</sup> Affordable housing includes social housing but is not limited to it. While social housing necessarily includes subsidies by official entities/authorities, affordable housing can be but doesn't need to be subsidized. Social housing tenants need to hold a permit for subsidized housing. Tenants of affordable housing buildings that are not social housing buildings do not need to have such a permit.

the ISS ESG Corporate Rating methodology for the Mortgage & Public Sector Finance sector. Key ESG industry challenges are key issues that are highly relevant for a respective industry to tackle when it comes to sustainability, e.g. climate change and energy efficiency in the buildings sector. From this mapping, ISS ESG derived a level of contribution to the strategy of each Use of Proceeds categories.

USE OF PROCEEDS CATEGORY	SUSTAINABILITY OBJECTIVES FOR THE ISSUER	KEY ESG INDUSTRY CHALLENGES	CONTRIBUTION
<b>Affordable Housing</b>	✓	✓	Contribution to a material objective

**Opinion:** *ISS ESG finds that the Use of Proceeds financed through this bond are consistent with the issuer’s sustainability strategy and material ESG topics for the issuer’s industry. The rationale for issuing Social Bonds is clearly described by the issuer.*

## PART II: ALIGNMENT WITH ICMA SOCIAL BONDS PRINCIPLES

### 1. Use of Proceeds

#### FROM ISSUER'S FRAMEWORK

An amount equal to the proceeds of Berlin Hyp's Social Bonds will be used to (re)finance Eligible Social Assets. Eligible Social Assets are defined as loans and investments for the (i) acquisition or (ii) construction or (iii) refurbishment of Affordable Housing Buildings as defined below. The mortgages on these Affordable Housing Buildings serve as collateral for loans on Berlin Hyp's balance sheet.

If they are used for Social Pfandbriefe, the loans have to be eligible for and be included in in the Bank's mortgage cover pool. Berlin Hyp's criteria for Eligible Social Assets are:

Social Bond Principles category	Eligible Social Assets
Affordable Housing	<p>Eligible Social Assets are loans for multi-family buildings owned by specific organizations in the following countries and meeting the following criteria:</p> <p><b>In Germany (for more information see Appendix I):</b></p> <ul style="list-style-type: none"> <li>• Non-profit oriented municipal housing companies</li> <li>• Non-profit oriented housing co-operations</li> <li>• Private housing companies and project developers, which are committed publicly to social responsibility and the offering of affordable housing</li> </ul> <p>and:</p> <ul style="list-style-type: none"> <li>• To be considered an Affordable Housing Building and for each respective loan to one of the above housing providers to be eligible under this Framework, the underlying housing needs to pass the Housing Benefit Act Test</li> </ul> <p>Target population</p> <ul style="list-style-type: none"> <li>• Lower-income groups and households whose income is above the basic social security level but who, without state support, are at risk of spending more than 30 percent of their net income on housing costs</li> </ul> <p><b>In The Netherlands (for more information see Appendix II):</b></p> <ul style="list-style-type: none"> <li>• Authorized institution ("toegelaten instelling") in the context of the 2015 update of the Dutch Housing Act, further defined as Social Housing Organisation ("SHO")</li> <li>• Private housing companies and project developers, which are committed publicly to social responsibility and the offering of affordable housing</li> </ul> <p>and:</p>

	<ul style="list-style-type: none"> <li>Rental prices per house or average rental price in case of a multi-family building do not exceed the annually updated social housing (or liberalization) threshold as defined in Article 47 of the Dutch Housing Act (in 2021: EUR 752,33)</li> </ul> <p>Target population</p> <ul style="list-style-type: none"> <li>Households that are decoupled from wage development, such as low-income households, the unemployed or pensioners<sup>15</sup>. In specific cases other urgent reasons can be defined by individual municipalities as set out in a municipality-specific housing decree (“Huisvestingsverordening”), which are based on article 8, sub 1 in the Housing Act 2014, or later adjustments. Examples are medical reasons or refugees granted asylum.</li> </ul>
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Environmental Minimum Safeguards

For Berlin Hyp, climate protection and social compatibility go hand in hand, which is why energetically poor apartments are not eligible assets within this Framework. Only buildings within the energetically best 70 percent of the national residential building stock are eligible, which, as of 2021, translates to a final energy demand of max. 151.1 kWh/m<sup>2</sup>/a<sup>16</sup>.

To avoid any double counting issues, Berlin Hyp’s eligible assets must not be part of the Green Finance portfolio.

**Opinion:** ISS ESG considers the Use of Proceeds description provided by Berlin Hyp’s Social Bond Framework as aligned with the ICMA Social Bonds Principles. The company defines eligible social assets in a clear and transparent manner. In addition, the issuer set an exclusion criteria with regard to energy efficiency, in line with best market practices.

**2. Process for Project Evaluation and Selection**

**FROM ISSUER’S FRAMEWORK**

Berlin Hyp firmly anchors the Framework in its internal process for evaluating and selecting Eligible Social Assets complying with the criteria described in Section 4.1. within its credit process.

Berlin Hyp has established a Sustainable Finance Commission (“SFC”; previously Green Building Commission<sup>17</sup>) which consists of representatives from various divisions of the Bank. Among them are all departments involved in the financing/refinancing value chain: Origination, Portfolio

<sup>15</sup> More information can be found in Appendix II of Berlin Hyp’s Social Bond Framework

<sup>16</sup> This threshold was defined in an assessment on the energy-efficiency of the German residential building stock by Drees & Sommer by order of Berlin Hyp in October 2021. Drees & Sommer based their assessment on publicly available Data such as DENA Gebäudereport or the co2online database.

<sup>17</sup> As Berlin Hyp intends to focus more on social aspects of its core business, CRE financing, it has replaced its Green Building Commission by the SFC in 2021. By doing so, it allows the commission to oversee the development of potential future social financing and re-financing products and keeping the respective frameworks in line with current best market practice and relevant regulation.

Management, Credit, Appraisal and Treasury. Among others, Risk Controlling and Corporate Strategy are part of the SFC too. In its regular meetings the SFC discusses whether the eligibility criteria described in Section 4.1 are still in line with best market practices and relevant regulation. If not, the SFC will discuss potential changes and decide how to adapt the eligibility criteria. All potential further developments of the Eligibility Criteria are to be targeted at increasing the robustness and level of ambition of the Framework. Further developments might also include the definition of social project categories beyond Affordable Housing Buildings, for instance loans to foundations who exclusively pursue charitable and non-profit making purposes in accordance with the section "Tax-Deductible Purposes" of German tax law (§52 and §53 AO).<sup>18</sup>

Berlin Hyp's Process of Evaluation and Selection starts by proving compliance with the eligibility criteria defined in Section 4.1 at the earliest possible stage of loan origination. All Eligible Social Assets which are approved via the procedure set out in the Process of Evaluation and Selection will be included in the Social Finance Portfolio.

As Berlin Hyp considers to set price incentives for Eligible Social Assets compared to loans for non-eligible residential buildings, an analysis of an asset's compliance with the eligibility criteria described in Section 4.1 must be completed prior to pricing.

To identify an asset's compliance with the eligibility criteria, the Bank reviews documents which are regularly provided by the borrowers for the appraisal of the building and the cash flow analysis. Moreover, borrowers are asked to provide energy performance certificates or to disclose energy performance calculations. Borrowers which fall into the category "Private Housing Providers" should also provide relevant documents proving a traceable public commitment to affordable housing. Also, the Bank may ask borrowers to provide relevant additional documents to prove their eligibility for the Bank's Social Finance Portfolio.

To the extent that relevant documents are provided, the experts in the Bank's responsible divisions pre-assess a property's potential alignment with the eligibility criteria described in Section 4.1. The selection process is carried out on the basis of various aspects such as category determination, selection of customer type and characteristics of private housing providers.

To be included in the Bank's Social Finance Portfolio, potential social assets will need a second positive sign-off by the Bank's Treasury department. Only thereafter, loans are classified as social bond eligible in the Bank's loan monitoring system.]

Berlin Hyp tries as far as possible to integrate the concept of availability, accessibility, acceptability and quality (AAAQ)<sup>19</sup> presented in the final report on the social taxonomy of the Platform on Sustainable Finance in the process of selection of project.

To ensure assets comply with the Eligibility Criteria throughout their term, Berlin Hyp's Sustainable Finance Commission reassesses their alignment on the basis of the most recent available data at

<sup>18</sup> In the event of a substantial change in eligibility criteria and/or definitions of social projects, Berlin Hyp shall make every effort to update its framework accordingly, have its updated framework assessed by a Second Party Opinion and communicate the changes to the public.

<sup>19</sup> Platform on Sustainable Finance (2022). Final Report by Subgroup 4 : Social Taxonomy (p. 42)

least once a year. If an asset no longer qualifies with the Eligibility Criteria described in Section 4.1 it is removed from the Bank's Social Finance Portfolio. All data about an asset's social characteristics and energy efficiency are documented in the Berlin Hyp's loan monitoring system even if the asset does not fulfill the Eligibility Criteria described in Section 4.1 for track record purposes. This documentation supports Berlin Hyp to provide information about the development of the portfolio's sustainability.

Berlin Hyp may use the expertise of its own staff or rely on external consultants and their data sources to identify Eligible Social Assets.

Berlin Hyp is constantly working on improving the ESG assessment in its loan origination process and for evaluating the assets' compliance with the eligibility criteria defined in Section 4.1. As a result, Berlin Hyp reserves the right to further develop its process of selection and evaluation at any time to reflect these improvements.

Berlin Hyp has put in place numerous procedures to manage ESG risks, for example:

- Berlin Hyp implemented an ESG Questionnaire enabling the bank to assess its borrowers' ESG quality resulting in an ESG score. Every borrower is asked to complete the questionnaire within the loan origination process. Moreover, it developed an additional questionnaire covering the EU Taxonomy's construction and building criteria, including technical screening criteria and DNSH criteria.
- There is close collaboration with the Data Management department to improve ESG-data generation and management which are used for reporting and classification, measuring ESG-related performance indicators.
- In connection with Berlin Hyp's transformation loan, an assessment of refurbishment potential of the bank's portfolio has been developed.

Another relevant factor includes the bank's extensive staff training on ESG related subjects.

**Opinion:** ISS ESG considers the Process for Project Evaluation and Selection description provided by Berlin Hyp's Social Bond Framework as aligned with the ICMA Social Bonds Principles. The issuer's description of this section is in line with best market practices as it clearly defines responsibilities in the process for project evaluation and selection in a transparent manner and it involves various stakeholders in this process.

### 3. Management of Proceeds

FROM ISSUER'S FRAMEWORK

Berlin Hyp will manage the proceeds of any Social Bond on a portfolio basis. An amount equivalent to each Social Bond's net proceeds will be used exclusively to refinance Eligible Social Assets that are part of the Social Finance Portfolio. Eligible Social Assets have to meet the Eligibility Criteria as set out in Section 1 "Eligibility Criteria" at the date they are flagged as Eligible Social Assets. If the Bank chooses to enhance Eligibility Criteria, these new criteria are not applied retroactively to the existing Eligible Social Assets. Therefore, existing Eligible Social Assets do not lose their status if they do not meet the new Eligibility Criteria.

A new Social Bond can only be issued if there are free Eligible Social Assets with a sufficient aggregated nominal value on the Bank's balance sheet that have not already been used for previous Social Bonds. Eligible Social Assets shall not be allocated to more than one Social Bond of Berlin Hyp. This means that the aggregated nominal value of all outstanding Social Bonds shall not exceed the aggregated nominal value of Eligible Social Assets at any time. Furthermore, the Bank shall ensure a 10 per cent excess of Eligible Social Assets at issuance of a new Social Bond. Should, for any reason, any Eligible Social Asset be removed from the Bank's portfolio of Eligible Social Assets, resulting in an excess of Eligible Social Assets lower than 10 percent, Berlin Hyp shall replace it by one or more Eligible Social Assets to meet the aforementioned threshold in a timely manner.

Even so, the proceeds of Social Commercial Paper are allocated to Eligible Social Assets for an aggregated nominal amount of Eligible Social Assets which shall not exceed at any time half of the 10 percent excess of Eligible Social Assets.

In addition, the aggregated nominal value of outstanding Social Pfandbriefe shall not exceed the aggregated Eligible Social Assets in the Bank's mortgage cover pool at any time. If Eligible Social Assets mature or are redeemed before a Social Bond's maturity, they are replaced by other Eligible Social Assets.

**Opinion:** ISS ESG finds that Management of Proceeds proposed by Berlin Hyp's Social Bond Framework is well aligned with the ICMA Social Bonds Principles, as all the proceeds are to be directly allocated to the eligible projects.

#### 4. Reporting

##### FROM ISSUER'S FRAMEWORK

As long as Berlin Hyp has Social Bonds outstanding, the Bank will report on both the allocation of proceeds and the social impact of the Eligible Social Assets on an annual basis. Berlin Hyp will provide its annual "Social Bond Report" including an allocation and impact reporting on its website either as a separate report or combined with other green and/or sustainability-linked bond reports.<sup>20</sup> Those reports will remain available for investors for future reference on the Bank's website until maturity of the last social bond. Constituents of the Bank's annual Social Bond Report are listed below.

##### Allocation reporting

- The development of Eligible Social Assets on Berlin Hyp's balance sheet, including but not limited to:
  - Volume and growth of the Social Finance Portfolio

<sup>20</sup> <https://www.berlinhyp.de/en/investors>

- Breakdown of the Social Finance Portfolio by Eligible Social Asset subcategory and by geography
- Maturity of the social loans per Eligible Social Asset subcategory
- Progress report on the allocation of an equivalent amount to the net proceeds of the Social Bond to Eligible Social Assets, including:
  - Total amount of the net proceeds allocated to the Social Finance Portfolio
  - Total volume of outstanding Social Bond instruments
  - Maximum amount of outstanding Social Commercial Papers emissions over the period

**Impact reporting**

- Where relevant, the Social Bond Principles’ Harmonized Framework for Impact Reporting for Social Bonds<sup>21</sup> may guide impact reporting. Additional impact indicators may be developed over time when the net proceeds of the Social Bond are allocated to Eligible Social Assets. If there are significant changes with regard to the Social Bond Framework or the Eligible Social Assets that have a significant impact on the sustainable impact of the Social Bonds, Berlin Hyp will adapt the reporting and make it publicly available.
- For further transparency, Berlin Hyp will publish an Impact Reporting Template, which discloses the indicators below, where feasible:

Project Category			Target	Social Indicator
Social Bonds Principle Category	Eligible Social Assets subcategory	SDG addressed	Target Population	Social Indicator
<i>Ex. Affordable Housing</i>	<ul style="list-style-type: none"> <li>• <i>Ex. Non-profit oriented housing co-operations</i></li> </ul>	<i>Ex. reduction of poverty (SDG 1) and inequalities (SDG 10) and supporting the transition toward sustainable cities and communities (SDG 11)</i>	<i>Ex. Individuals/Families benefiting from subsidized housing</i>	<ul style="list-style-type: none"> <li>• <i>Number of estimated beneficiaries</i></li> <li>• <i>Number of housing units</i></li> <li>• <i>The total number of flats situated in Affordable Housing Buildings</i></li> <li>• <i>Number of square metres supported or developed</i></li> <li>• <i>Number of buildings</i></li> <li>• <i>The expected number of household</i></li> </ul>

<sup>21</sup> ICMA (2020). Working towards a Harmonized Framework for Impact Reporting for Social Bonds . <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2020/Harmonized-Framework-for-Impact-Reporting-for-Social-BondsJune-2020-090620.pdf>

				<i>members based on the concept of Appropriate Living Space</i> <ul style="list-style-type: none"> <li>• Average Rent level</li> </ul>
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**Opinion:** ISS ESG finds that the reporting proposed by Berlin Hyp’s Social Bond Framework is in line with the ICMA Social Bonds Principles. Issuer’s reporting description is also in line with best market practices as the issuer is transparent on the level of impact reporting and the information that will be disclosed in the impact reporting, as well as defines the frequency, scope, and duration of impact reporting

**5. External review**

**FROM ISSUER’S FRAMEWORK**

**Second Party Opinion**

Berlin Hyp has appointed ISS-ESG to independently assess the social nature of its Social Bond Framework and its alignment with the Social Bond Principles. ISS-ESG applies its own framework to carry out this assessment. The results are documented in ISS-ESG's Second Party Opinion which is available on the Bank's website. The Second Party Opinion refers to the whole Social Bond Framework and includes every security that is issued under it.

**Annual Re-verification**

ISS-ESG or any other party appointed by Berlin Hyp later as a successor for ISS-ESG in the future will issue a report verifying the compliance of all issued bonds with the criteria documented in this program on an annual basis. These reports will reflect the results of the assessment of the social performance of the program and the issued Social Bonds. The reports will be published on the Bank's website.

In the event of material changes in the Social Bond Framework, Berlin Hyp will engage ISS-ESG or any other party service provider to provide the appropriate verification.

## PART III: SUSTAINABILITY QUALITY OF THE ISSUANCE

### A. CONTRIBUTION OF THE SOCIAL BONDS TO THE UN SDGs

Based on the assessment of the sustainability quality of the Social Bond Eligible Social Assets and using a proprietary methodology, ISS ESG assessed the contribution of the Berlin Hyp's Social Bonds to the Sustainable Development Goals defined by the United Nations (UN SDGs).

This assessment is displayed on 5-point scale (see Annex 2 for methodology):



Each of the Social Bond's Use of Proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><b>Social Housing</b> Financing of or investments in social housing provided underserved communities (e.g. low-income population)</p>	<b>Significant Contribution</b>	
<p><b>Affordable Housing</b> Financing of or investments in affordable housing to middle income communities</p>	<b>Limited Contribution</b>	

## B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE ELIGIBLE SOCIAL ASSETS

### Affordable Housing

As a Use of Proceeds category, affordable housing has significant contribution to SDGs 1 “No poverty”, 10 “Reduced Inequalities”, and 11 “Sustainable cities and communities”. The table below presents the findings of an ISS ESG assessment of the Eligible Social Assets against ISS ESG KPIs.

#### ASSESSMENT AGAINST ISS ESG KPI

##### Prerequisite for affordable housing

- ✓ The issuer ensures that Eligible Assets assigned to non-profit oriented housing organizations are democratically organized. Housing co-operatives, by national legislation, are built upon the principle of democracy, with all members equally represented in the general assembly via equal voting rights (referred to in the Genossenschaftsgesetz). While for municipal housing companies, they commonly report to their respective municipal government which is democratically elected by universal suffrage in Germany and the Netherlands.
- ✓ Berlin Hyp’s selection criteria comply with the regulatory framework for affordable housing established by the Housing Benefit Act and the Dutch Housing Act.
- The issuer does not have a policy to ensure tenant rights include lifelong right of residence for housing categories<sup>22</sup> besides housing cooperatives (which by law ensures beneficiaries a lifelong right of residence).

##### Site selection

- ✓ The issuer has a policy in place for responsible site selection. Under this policy, clients are required to disclose environmental information in an ESG-questionnaire and EU Taxonomy-questionnaire.
- The issuer does not have a policy in place to ensure that majority of assets to be (re)-financed are located within 1 km from one or more modalities of public transport. However, it is noted that Berlin Hyp focuses on metropolitan areas where extensive public transportation networks are present.

##### Construction standards

- ✓ With regards to health and safety standards on construction sites, the assets are located in Germany and the Netherlands where there are laws and regulations in place ensuring construction safety standards<sup>23</sup>. Furthermore, the issuer has policy<sup>24</sup> in place to ensure EU

<sup>22</sup> For housing categories other than housing cooperatives, including municipal housing, Berlin Hyp cannot guarantee a right to lifelong residence as this is not ensured by law. Tenancies are commonly agreed by private contracts, which the issuer does not have access to.

<sup>23</sup> Relevant laws and regulations include Arbeitsschutzgesetz, Arbeitsstättenverordnung, Baustellenverordnung and Betriebssicherheitsverordnung in Germany, and ARBO law and 2012 Dutch Building Decree in the Netherlands where regular checks are performed by Netherlands Labour Authority (Nederlandse Arbeidsinspectie).

<sup>24</sup> Guidelines on Human Rights, Diversity and Inclusion at Berlin Hyp

Taxonomy's minimum social safeguard standards are encompassed in its operations, committing to the Universal Declaration of Human Rights of the United Nations and the Conventions and core employment regulations of the Declaration of the International Labour Organisation.

- The issuer does not have comprehensive policy or measures in place regarding sustainable procurement of building material.

#### **Energy Efficiency**

- ✓ The issuer conditions the eligibility of assets under this framework on being among the top 70% energy efficient of the national residential building stock (as of 2021 this translates to a final energy demand of max. 151.1 kWh/m<sup>2</sup>/a).

#### **Safety of building users**

- ✓ Assets are located in Germany and the Netherlands, where there are laws and regulations in place ensuring operational safety of buildings<sup>25</sup>.

#### **Water management**

- The issuer does not have a policy in place to ensure eligible social assets have relevant water use minimization measures in place.

<sup>25</sup> In Germany, details are provided in the Bauordnung and the Landesbauordnung as well as the Brandschutzverordnung and the Brandschutzordnung. In the Netherlands this is part of the 2012 Dutch Building Decree and covers smoke detectors, non-flammable materials, sprinklers and escape routes.

## DISCLAIMER

1. Validity of the SPO: As long as there are no material changes to the Framework.
2. ISS ESG uses a scientifically based rating concept to analyse and evaluate the environmental and social performance of companies and countries. In doing so, we adhere to the highest quality standards which are customary in responsibility research worldwide. In addition, we create a Second Party Opinion (SPO) on bonds based on data from the issuer.
3. We would, however, point out that we do not warrant that the information presented in this SPO is complete, accurate or up to date. Any liability on the part of ISS ESG in connection with the use of these SPO, the information provided in them and the use thereof shall be excluded. In particular, we point out that the verification of the compliance with the selection criteria is based solely on random samples and documents submitted by the issuer.
4. All statements of opinion and value judgements given by us do not in any way constitute purchase or investment recommendations. In particular, the SPO is no assessment of the economic profitability and credit worthiness of a bond but refers exclusively to the social and environmental criteria mentioned above.
5. We would point out that this SPO, certain images, text and graphics contained therein, and the layout and company logo of ISS ESG and ISS-ESG are the property of ISS and are protected under copyright and trademark law. Any use of such ISS property shall require the express prior written consent of ISS. Use shall be deemed to refer in particular to the copying or duplication of the SPO wholly or in part, the distribution of the SPO, either free of charge or against payment, or the exploitation of this SPO in any other conceivable manner.

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## ANNEX 1: Methodology

### ISS ESG Social KPIs

The ISS ESG Social Bond KPIs serve as a structure for evaluating the sustainability quality – i.e. the social and environmental added value – of the use of proceeds of Berlin Hyp’s Social Bonds.

It comprises firstly the definition of the use of proceeds category offering added social and/or environmental value, and secondly the specific sustainability criteria by means of which this added value and therefore the sustainability performance of the assets can be clearly identified and described.

The sustainability criteria are complemented by specific indicators, which enable quantitative measurement of the sustainability performance of the assets and which can also be used for reporting. If a majority of assets fulfill the requirement of an indicator, this indicator is then assessed positively. Those indicators may be tailor-made to capture the context-specific environmental and social risks.

### Environmental and social risks assessment methodology

ISS ESG evaluates whether the assets included in the asset pool match the eligible project category and criteria listed in the Social Bond KPIs.

All percentages refer to the amount of assets within one category (e.g. wind power). Additionally, the assessment “no or limited information is available” either indicates that no information was made available to ISS ESG or that the information provided did not fulfil the requirements of the ISS ESG Social Bond KPIs.

The evaluation was carried out using information and documents provided to ISS ESG on a confidential basis by Berlin Hyp (e.g. Due Diligence Reports). Further, national legislation and standards, depending on the asset location, were drawn on to complement the information provided by the issuer.

### Assessment of the contribution and association to the SDG

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary method, ISS ESG identifies the extent to which Berlin Hyp’s Social Bonds contributes to related SDGs.

## ANNEX 2: ISS ESG Corporate Rating Methodology

The following pages contain methodology description of the ISS ESG Corporate Rating.

### Methodology - Overview

The ESG Corporate Rating methodology was originally developed by Institutional Shareholder Services Germany (formerly oekom research) and has been consistently updated for more than 25 years.

**ESG Corporate Rating** - The ESG Corporate Rating universe, which is currently expanding from more than 8,000 corporate issuers to a targeted 10,000 issuers in 2020, covers important national and international indices as well as additional companies from sectors with direct links to sustainability and the most important bond issuers that are not publicly listed companies.

The assessment of a company's social & governance and environmental performance is based on approximately 100 environmental, social and governance indicators per sector, selected from a pool of 800+ proprietary indicators. All indicators are evaluated independently based on clearly defined performance expectations and the results are aggregated, taking into account each indicator's and each topic's materiality-oriented weight, to yield an overall score (rating). If no relevant or up-to-date company information with regard to a certain indicator is available, and no assumptions can be made based on predefined standards and expertise, e.g. known and already classified country standards, the indicator is assessed with a D-.

In order to obtain a comprehensive and balanced picture of each company, our analysts assess relevant information reported or directly provided by the company as well as information from reputable independent sources. In addition, our analysts actively seek a dialogue with the assessed companies during the rating process and companies are regularly given the opportunity to comment on the results and provide additional information.

**Analyst Opinion** - Qualitative summary and explanation of the central rating results in three dimensions:

- (1) Opportunities - assessment of the quality and the current and future share of sales of a company's products and services, which positively or negatively contribute to the management of principal sustainability challenges.
- (2) Risks - summary assessment of how proactively and successfully the company addresses specific sustainability challenges found in its business activity and value chain, thus reducing its individual risks, in particular regarding its sector's key issues.
- (3) Governance - overview of the company's governance structures and measures as well as of the quality and efficacy of policies regarding its ethical business conduct.

**Norm-Based Research - Severity Indicator** - The assessment of companies' sustainability performance in the ESG Corporate Rating is informed by a systematic and comprehensive evaluation of companies' ability to prevent and mitigate ESG controversies. ISS ESG conducts research and analysis on corporate involvement in verified or alleged failures to respect recognized standards for responsible business conduct through Norm-Based Research.

Norm-Based Research is based on authoritative standards for responsible business conduct such as the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights and the Sustainable Development Goals.

As a stress-test of corporate disclosure, Norm-Based Research assesses the following:

- Companies' ability to address grievances and remediate negative impacts
- Degree of verification of allegations and claims
- Severity of impact on people and the environment, and systematic or systemic nature of malpractices

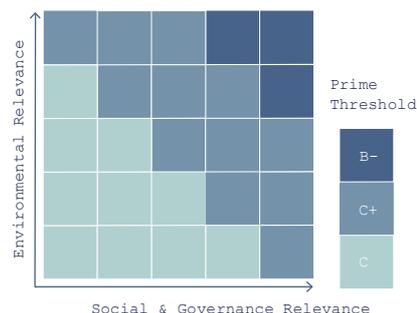
Severity of impact is categorized as Potential, Moderate, Severe, Very severe. This informs the ESG Corporate Rating.

**Decile Rank** - The Decile Rank indicates in which decile (tenth part of total) the individual Corporate Rating ranks within its industry from 1 (best – company's rating is in the first decile within its industry) to 10 (lowest – company's rating is in the tenth decile within its industry). The Decile Rank is determined based on the underlying numerical score of the rating. If the total number of companies within an industry cannot be evenly divided by ten, the surplus company ratings are distributed from the top (1 decile) to the bottom. If there are Corporate Ratings with identical absolute scores that span a division in decile ranks, all ratings with an equal decile score are classified in the higher decile, resulting in a smaller number of Corporate Ratings in the decile below.

**Distribution of Ratings** - Overview of the distribution of the ratings of all companies from the respective industry that are included in the ESG Corporate Rating universe (company portrayed in this report: dark blue).

**Industry Classification** - The social and environmental impacts of industries differ. Therefore, based on its relevance, each industry analyzed is classified in a Sustainability Matrix.

Depending on this classification, the two dimensions of the ESG Corporate Rating, the Social Rating and the Environmental Rating, are weighted and the sector-specific minimum requirements for the ISS ESG Prime Status (Prime threshold) are defined (absolute best-in-class approach).



**Industry Leaders** - List (in alphabetical order) of the top three companies in an industry from the ESG Corporate Rating universe at the time of generation of this report.

**Key Issue Performance** - Overview of the company's performance with regard to the key social and environmental issues in the industry, compared to the industry average.

**Performance Score** - The ESG Performance Score allows for cross-industry comparisons using a standardized best-in-class threshold that is valid across all industries. It is the numerical representation of the alphabetic ratings (D- to A+) on a scale of 0 to 100 with 50 representing the prime threshold. All companies with values greater than 50 are Prime, while companies with values less than 50 are Not Prime. As a result, intervals are of varying size depending on the original industry-specific prime thresholds.

**Rating History** - Development of the company's rating over time and comparison to the average rating in the industry.

**Rating Scale** - Companies are rated on a twelve-point scale from A+ to D-:

A+: the company shows excellent performance.

D-: the company shows poor performance (or fails to demonstrate any commitment to appropriately address the topic).

Overview of the range of scores achieved in the industry (light blue) and indication of the grade of the company evaluated in this report (dark blue).

**Sources of Information** - A selection of sources used for this report is illustrated in the annex.

**Status & Prime Threshold** - Companies are categorized as Prime if they achieve/exceed the sustainability performance requirements (Prime threshold) defined by ISS ESG for a specific industry (absolute best-in-class approach) in the ESG Corporate Rating. Prime companies are sustainability leaders in their industry and are better positioned to cope with material ESG challenges and risks, as well as to seize opportunities, than their Not Prime peers. The financial materiality of the Prime Status has been confirmed by performance studies, showing a continuous outperformance of the Prime portfolio when compared to conventional indices over more than 14 years.

**Transparency Level** - The Transparency Level indicates the company's materiality-adjusted disclosure level regarding the environmental and social performance indicators defined in the ESG Corporate Rating. It takes into consideration whether the company has disclosed relevant information regarding a specific indicator, either in its public ESG disclosures or as part of the rating feedback process, as well as the indicator's materiality reflected in its absolute weight in the rating. The calculated percentage is classified in five transparency levels following the scale below.

0% - < 20%: very low

20% - < 40%: low

40% - < 60%: medium

60% - < 80%: high

80% - 100%: very high

For example, if a company discloses information for indicators with a cumulated absolute weight in the rating of 23 percent, then its Transparency Level is "low". A company's failure to disclose, or lack of transparency, will impact a company's ESG performance rating negatively.

## ANNEX 3: Quality management processes

### SCOPE

Berlin Hyp commissioned ISS ESG to compile a Social Bonds SPO. The Second Party Opinion process includes verifying whether the Social Bond Framework aligns with the ICMA Social Bond Principles and to assess the sustainability credentials of its Social Bonds, as well as the issuer's sustainability strategy.

### CRITERIA

Relevant Standards for this Second Party Opinion

- ICMA Social Bond Principles
- ISS ESG Key Performance Indicators relevant for Use of Proceeds categories selected by Berlin Hyp

### ISSUER'S RESPONSIBILITY

Berlin Hyp's responsibility was to provide information and documentation on:

- Framework
- Eligibility criteria
- Documentation of ESG risks management

### ISS ESG'S VERIFICATION PROCESS

ISS ESG is one of the world's leading independent environmental, social and governance (ESG) research, analysis and rating houses. The company has been actively involved in the sustainable capital markets for over 25 years. Since 2014, ISS ESG has built up a reputation as a highly-reputed thought leader in the green and social bond market and has become one of the first CBI approved verifiers.

ISS ESG has conducted this independent Second Party Opinion of the Social Bonds to be issued by Berlin Hyp based on ISS ESG methodology and in line with the ICMA Social Bond Principles.

The engagement with Berlin Hyp took place in February, March 2022.

### ISS ESG'S BUSINESS PRACTICES

ISS has conducted this verification in strict compliance with the ISS Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behaviour and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

## About ISS ESG SPO

ISS ESG is one of the world's leading rating agencies in the field of sustainable investment. The agency analyses companies and countries regarding their environmental and social performance.

As part of our Sustainable (Green & Social) Bond Services, we provide support for companies and institutions issuing sustainable bonds, advise them on the selection of categories of projects to be financed and help them to define ambitious criteria.

We assess alignment with external principles (e.g. the ICMA Green / Social Bond Principles), analyse the sustainability quality of the assets and review the sustainability performance of the issuer themselves. Following these three steps, we draw up an independent SPO so that investors are as well informed as possible about the quality of the bond / loan from a sustainability perspective.

Learn more: <https://www.isscorporatesolutions.com/solutions/esg-solutions/green-bond-services/>

For more information on SPO services, please contact: [SPOsales@isscorporatesolutions.com](mailto:SPOsales@isscorporatesolutions.com)

For more information on this specific UoP Social Bonds SPO, please contact: [SPOOperations@iss-esg.com](mailto:SPOOperations@iss-esg.com)

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