

# Statement of Principles to respect human rights and the environment

1H1CC Corporate Compliance

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## 1 Preamble

The Versicherungskammer Bayern Institution under public law (VKB AdöR) is obliged to comply with the Supply Chain Due Diligence Act (LkSG) from January 1st, 2023. We count all subsidiaries belonging to the group as part of our own business area, see Section 1 Paragraph 3 LkSG. This declaration of principles includes VKB AdöR in its own business area, its subsidiaries and the supply chains of these companies. In the following we use the term "Versicherungskammer Bayern" for the group of companies. The Versicherungskammer Bayern Institution under public law (VKB AdöR) is self-obligated within the framework of the Supply Chain Due Diligence Act (LkSG) from January 1st, 2023. We count all subsidiaries belonging to the group as part of our own business area, see Section 1 Paragraph 3 LkSG. This declaration of principles includes VKB AdöR in its own business area, its subsidiaries and the supply chains of these companies. In the following we use the term "Versicherungskammer Bayern" to refer to the group.

We are aware of our social responsibility as a public insurer and see this as a cornerstone for our economic activities and public appearance.

We not only want to offer our customers comprehensive protection, but also make a positive contribution to sustainable development. We are therefore committed to respecting human rights and environmental obligations and are committed to respecting and promoting these in our own business area and when working with our suppliers.

Our corporate culture is characterized by values such as community, solidarity, equal opportunities and sustainability, which is also reflected in how we deal with the obligations under the LkSG. In this policy statement, we set out our goals, our measures and our responsibilities with regard to the implementation of the LkSG. Among other things, we describe the implementation of the due diligence obligations and undertake, if we become aware of a violation of human rights and/or or environmentally-related obligations in our own business area and with our direct suppliers, to take remedial measures ourselves or to support our suppliers in doing so. We also provide information about our complaints procedure, which is open to all those affected and potentially involved as well as stakeholders.

This declaration of principles on respect for human rights and the environment applies to all employees of the Versicherungskammer Group. The commitments to the contents of this declaration are applied by our employees in business operations to all those involved in the supply and value chain. Our aim is to promote and protect the rights of people and communities across the entire supply and value chain and to shape a more sustainable future, with the support of all our suppliers.

## 2 Our Commitment to protecting human rights and the environment

We condemn any kind of human rights and environmental violations. We firmly believe that our success can only be guaranteed if the obligations required to prevent these violations are recognized and upheld within our own business area and the supply and value chain.

When it comes to upholding human rights and environmental obligations and taking into account the requirements of the LkSG, we refer to and are committed to the following reference agreements:

- Universal Declaration of Human Rights (UN)
- Principles of the UN Global Compact (UNGC)
- United Nations Guiding Principles on Business and Human Rights (UNGP)
- OECD Guidelines for Multinational Enterprises
- International Covenant on Civil and Political Rights (ICCPR)
- International Covenant on Economic, Social and Cultural Rights (ICESCR)
- ILO Core Labour Standards
- Convention for the Protection of Human Rights and Fundamental Freedoms
- Minamata Convention on Mercury
- Stockholm Convention on Persistent Organic Pollutants
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal

In addition, we have internal guidelines that form the basis for our actions and successful and, in particular, fair business operations:

- Code of Conduct Policy
- Guidelines for the general handling of conflicts of interest
- Guidelines for handling donations
- Supplier Code of Conduct Policy
- Code of conduct of the General Association of the German Insurance Industry for the distribution of insurance products

This policy statement is binding for the employees of the Versicherungskammer Group. We encourage all employees to behave appropriately and lawfully towards colleagues and suppliers, to

communicate the values of this declaration to the outside world and to ensure compliance with its contents.

## 2.1 Potentially affected persons

In our efforts to respect human rights and environmental obligations, we particularly focus on the following groups of people along our supply and value chain:

- Versicherungskammer Bayern employees including interns, working students, temporary workers, trainees
- Employees of service providers and direct and indirect suppliers
- Employees and local communities in the physical environment of the locations of the Versicherungskammer Bayern Group companies or the locations of service providers and direct suppliers
- Legal entities (unions and their employees or members)

Within these groups of people, subgroups were identified that are considered particularly vulnerable and for which there is a particular need for protection. This particularly includes people who, due to physical or other characteristics, have limited resilience, experience social exclusion, are affected by a lack of protection from state institutions or who find it difficult to access remedy.

- People who belong to the LGBTIQ+ community (lesbian, gay, bisexual, transgender, inter-sexual, queer and non-binary).
- People who provide information
- People who exercise functions in the works council
- People with physical or mental limitations
- Elderly people
- Women
- Children and young people
- Sick people
- People in an unregulated environment
- People with limited access to education
- Members of national, ethnic, religious or linguistic minorities
- Migrant workers and seasonal workers

## 2.2 Relevant human rights and environmental issues

When implementing our due diligence obligations, we attach particular importance to compliance with the following human rights and environmental issues, which were identified with the help of a systematic risk analysis for our own business area and direct suppliers:

### 2.2.1 Granting equal opportunities and prohibiting discrimination

Diversity is the foundation of our success, today and tomorrow. Diversity creates perspective and security. This is what our “WE” stands for. We work towards this every day in numerous initiatives, networks and events. We are signatories of the Diversity Charter, an initiative to promote diversity in the world of work, and would like to promote the recognition, appreciation and inclusion of diversity in the world of work in Germany and advocate for a working environment that is free of prejudice. Our employees and our suppliers' employees should experience our appreciation - regardless of gender, nationality, ethnic origin, religion or belief, disability, age, sexual orientation and identity. We are therefore committed to maintaining equal opportunities and refraining from any discrimination. We do not accept any unequal treatment.

### 2.2.2 Ensuring health and safety at work

We ensure health protection and safety in the workplace. We see the protection of employees as our highest priority and consistently comply with applicable occupational safety laws. In addition, we have established our own standards to ensure occupational safety, such as appointing safety officers and a hotline for all troubleshooting matters.

- Occupational health and safety guidelines
- Guideline for workplace design with ergonomics and computer workstations
- Occupational Safety and Health Committee meeting
- risk assessments,
- Offer workplace settings
- Analyzes of jobs,
- Emergency organization/management regarding: disruption --> emergency -> crisis

In addition, we actively promote the physical and mental health of our employees with a professional and holistic concept. The aim is to strengthen our employees' mental, physical and professional reserves and to promote their well-being and performance. This is achieved through systematic management of company health and through measures to strengthen employees' personal responsibility for their health.

As part of our company health management, we therefore offer our employees a comprehensive and diverse program. The offerings include medical advice and support, online training and videos

on health-conscious and ergonomic work design, workshops and seminars, for example on the topic of resilience. In recent years, we have supplemented online sports and relaxation programs in our sports club and in our fitness studio (VKB Fit) with an active sports day - the so-called "chamber games" - as well as mountain hiking days. Posts in the health community of the social intranet and other social media platforms make the actions public. Flu vaccinations are offered and administered annually.

Carrying out the psychological risk assessment also initiates further, specific measures that are tailored to the abnormalities discovered.

We also expect everyone involved in a supplier relationship to ensure the health protection and safety at work of their employees at a comparable level.

### **2.2.3 Respect the right to freedom of association, association and collective bargaining**

We are committed to our employees' right to freedom of association. This includes, among other things, the right to establish an employee representative body (e.g. union, works council), to join an employee representative body and the right to strike and collective bargaining. Such activities must not result in unjustified unequal treatment or the use of retaliation. We ensure that our employees can enter into regular dialogue with company management in trade unions and employee representatives. Our corporate culture promotes trusting and constructive collaboration with employee representatives. We would like to see exactly this approach for our supply chains.

### **2.2.4 Appropriate remuneration for work performance**

The principle of equal pay for work of equal value applies to us (see ILO Convention No. 100). We are committed to fair working conditions both in our own business area and with our suppliers and ensure appropriate remuneration for our employees, regardless of gender or origin, among other things through the collective agreements for the private insurance industry, which are applicable to insurance companies are relevant to the group. When it comes to the remuneration of our employees and staff, we also expect appropriate and timely remuneration from our suppliers, which enables the employees to secure their livelihood or ensure the survival of their existence. The minimum wage that should be paid is the minimum wage set in accordance with the applicable law or, if there is no such wage, the wage in accordance with the law of the place of employment.

### **2.2.5 Prohibition of child labor**

We condemn any form of child labor within the meaning of the ILO core labor standards (Conventions No. 138 and No. 182). This includes any form of child trafficking, child prostitution and other practices that violate the rights of children and endanger their freedom and development through

harmful working conditions. The safety of children must also be safeguarded by our suppliers and should be protected and promoted through appropriate measures in all phases of development.

### **2.2.6 Prohibition of slavery and forced labor**

We are strictly against the use of forced labor, compulsory labor and slavery within the meaning of the LkSG and the associated relevant ILO core labor standards such as debt bondage, serfdom, human trafficking, sexual exploitation or humiliation of all those involved within the supply and value chains. All employment relationships should only be entered into and maintained on a voluntary basis.

### **2.2.7 Lawful use of security forces**

When deploying our own or external security forces, we ensure that they respect human rights and do not act unlawfully. For example, the prohibition of torture and humiliating treatment should be noted. Rather, security forces should preserve and protect the right to the integrity of life and limb and the maintenance of freedom of coalition and association. We also expect the same from our suppliers when it comes to deploying security personnel.

### **2.2.8 Safeguarding land rights**

We are convinced that human rights and environmental protection are closely linked. We therefore strongly condemn any form of negative impact and destruction of the environment by individuals or companies. We are therefore committed to various international environmental standards, work towards compliance with them in our supply and value chain and adhere to the prohibitions of the Minamata Convention on Mercury, the Stockholm Convention on Persistent Organic Pollutants and the Basel Convention on the Control of Transboundary Emissions Shipment of hazardous waste and its disposal.

## **3 Our approach to implementing due diligence to protect human rights and environmental concerns**

Respecting human rights and environmental obligations is an ongoing process. The application of due diligence is subject to the requirements of the LkSG and thus also the United Nations (UN) Guiding Principles on Business and Human Rights. The implementation of the processes and measures depends on regularly identified risks, is subject to constant review and further developed depending on changing conditions. We have agreed to apply the following measures to comply with the requirements of the LkSG:



### 3.1 Structure and responsibilities in risk management

We see the long-term application of effective due diligence as a shared task and have defined a number of roles and responsibilities for this purpose, which are reflected in the relevant business areas.

The overall responsibility for respecting human rights and the environment lies with the responsible management of the respective company in the Insurance Chamber Group, which regularly keeps itself informed about the implementation of the LkSG. To monitor risk management, we have created the position of human rights officer, who regularly reports to management on the status of implementation of due diligence obligations. The "Program Lead LkSG", whose role is taken on by the Chief Compliance Officer of BLBV, is responsible for the procedural and organizational implementation of the due diligence obligations. It is supported by "topic leads" who take over the operational implementation of individual due diligence obligations, such as prevention or remedial measures, and provide human resources and expertise for this purpose. Furthermore, "risk experts" have been appointed for the human rights and environmental risks mentioned in the LkSG, who provide support with risk identification, assessment and control and provide technical advice to the LkSG program lead on these risks.

Furthermore, an LkSG committee has been set up with representatives at board level, purchasing, risk management, human resources and the program lead. LkSG-relevant issues are regularly discussed there and corresponding decisions are made.

### 3.2 Risk analysis

The risk analysis is a fundamental building block for the design of our due diligence obligations. The aim of the risk analysis is to gain knowledge about potentially and actually negative human rights and environmental risks and the effects of our business activities on people and the environment.

The analysis of human rights and environmental risks is carried out for our own business area and for our direct suppliers.

In our own business area, the risk analysis for all risks mentioned in the LkSG is carried out by the named risk experts. The potential impacts on those affected by our own business activities are determined and evaluated. The risk analysis in your own business area is carried out regularly, i.e. at least once a year, and if necessary on an event-related basis, e.g. B. for new locations, company acquisitions/mergers, etc.

The risk analysis of the direct suppliers takes place in two steps: First, we determine the abstract risk based on the country and product or service risks of the respective direct supplier. The concrete risk analysis is then carried out with the direct suppliers, for whom an increased risk assessment of the human rights and environmental risks mentioned in the LkSG has been established. The suppliers' risk analysis is also carried out regularly and, if necessary, on an event-related basis, e.g. B. when complaints are received.

The results of both risk analyses form the basis for adjustments to implemented preventive measures and for business decision-making processes with regard to our business strategy as well as supplier selection and management.

### **3.3 Prevention measures**

In order to take due account of our responsibility in complying with human rights and environmental risks, we have implemented or applied various preventive measures. The aim of all these efforts is to protect those potentially affected from adverse effects caused by the occurrence of the risks mentioned.

Our policy statement is communicated internally (e.g. to employees) and externally (e.g. website, suppliers). The values of this policy statement are reflected in our principles of conduct and internal regulations.

Our employees are also sensitized with appropriate training to respect human rights and the environment in accordance with this declaration of principles. We will integrate the necessary specialist knowledge for the effective implementation of human rights and environmental due diligence obligations into the training concepts and convey them to the target group.

We have also been certified in different areas; These certifications also contribute to the requirements of the LkSG. This includes, for example, certifications according to ISO 9001 (quality management). We have been regularly recognized as a family-friendly company since 2009. We received the certification from "berufundfamilie" – an initiative of the non-profit Hertie Foundation.

In addition to signing the Diversity Charter, we have also launched a strategic diversity management program, which is reflected in our corporate mission statement. Since 2022, internal working groups have been developing ideas around the dimensions "Measurability of Diversity", "Gender Pay Gap" and "Social Origin", among other things. As a group, we also assume social responsibility by always working together with our long-standing partners to ensure safe coexistence. Volun-

teering and prevention play a very special role here. We have been associated with many organizations in this area for a long time. In many cases, our commitment goes far beyond purely financial support, because our employees - from trainees to board members - are also personally committed to socially necessary causes.

Outside the Versicherungskammer Bayern, direct suppliers may be obliged by our code of conduct and, if necessary, by means of contractual clauses, to comply with the laws applicable in the respective country of business activity as well as the ILO core labor standards, to respect human rights and the environment, and this also extends to their own suppliers to be passed on in accordance with these regulations. If necessary, we support our suppliers in avoiding risks, develop corrective measures and thus ensure that human and environmental rights are respected in the supply chains.

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When selecting suppliers and in our procurement strategy, we take human rights and environmental circumstances into account in the sense of this policy statement. We establish them as an integral part of a supplier evaluation before entering into a contractual relationship.

### 3.4 Complaint procedure and redress

We have set up a free complaints procedure that both internal and external affected parties, including those potentially affected and stakeholders, can contact. The complaint procedure enables affected groups to point out human rights and environmental risks as well as violations of human rights and environmental obligations that threaten or have materialized through our economic activities and/or in supply and value chains. The complaint procedure can also be used to request redress for violations of these obligations. This is in line with the third pillar “Access to Remedy” of the UN Guiding Principles on Business and Human Rights.

Internal and external affected parties as well as those potentially affected can contact us by email [at compliance@vkb.de](mailto:compliance@vkb.de), by post at or in person

Versicherungskammer Bayern – Central Compliance Function 1H1CC,  
Maximilianstrasse 53  
80530 Munich

Submit complaints or reports of violations. The process of the complaint procedure was set out in writing in [a set of rules of procedure](#) and made publicly available. We consistently investigate any justified suspicion of human rights and environmental violations, both in our own business area and in our supply and value chain.

The central compliance function takes care of processing and responding to incoming complaints. It acts impartially, independently and is obliged to maintain confidentiality. At the request of the whistle blower, it will maintain the confidentiality of his/her identity. The independence of the compliance function, which is already required by supervisory law, is additionally supported by a corresponding commitment from the respective management. For example, suppressing the identity of the whistle blower ensures that whistle blowers are protected from discrimination of any kind or punishment based on their complaint in connection with the complaint they have submitted.

If, despite all our efforts, we discover violations of human and environmental rights, we work to end the violation as quickly as possible and minimize the impact.

If potential or actual human rights or environmental violations occur in our supply and value chain, appropriate remedial measures will be taken by the responsible bodies. To the extent possible, we will oblige our suppliers through contractual assurances to support the clarification of relevant issues and to cooperate fully within an appropriate time frame. If appropriate, we encourage our

suppliers to point out our complaints procedure at their place of work. We will do everything necessary to ensure that human and environmental rights are respected.

### 3.5 Effectiveness test

We check the effectiveness of all measures and processes to comply with the LkSG due diligence obligations at least once a year and as needed in order to be able to continue to identify, prevent or reduce adverse human rights or environmental impacts and, if necessary, remedy them.

The review is carried out as part of the monitoring process by the human rights officer. This examines the effectiveness of the various measures and processes in the company's own business area using, among other things, defined key figures and, if necessary, discussions with those affected, etc. In addition, the profiles of direct suppliers, for example, are regularly evaluated. The insights gained into the effectiveness of risk management help with its continuous improvement and further development.

### 3.6 Reporting

We provide regular and transparent information about the implementation of sustainable topics and strategic developments related to sustainability in the [sustainability report](#).

In addition, the annual LkSG report is made available to the responsible authority and publicly on the website at [www.vkb.de](http://www.vkb.de). In the report, the human rights and environmental risks identified in the reporting period as well as the preventative and remedial measures implemented in the company's own business area and with direct suppliers can be viewed, among other things.

## 4 Contact for questions and information

If you have any questions about this policy statement or other human rights or environmental issues, you can contact us by email ([compliance@vkb.de](mailto:compliance@vkb.de)), letter or in person. Alternatively, you can also submit a report at any time using our confidential complaints procedure. Detailed information about this can be found on the company website.

## 5 Final provisions

No third-party claims can be derived from the policy statement. It was passed by the management of the Versicherungskammer Group in November 2023 and has been in effect since then.

## 6 This declaration applies to the following companies

Versicherungskammer Bayern Versicherungsanstalt des öffentlichen Rechts (VKB VdöR)
Versicherungskammer Bayern Konzern-Rückversicherung AG (VKB-Rück)
Bayerische Landesbrandversicherung Aktiengesellschaft (BLBV)
Bayerischer Versicherungsverband Versicherungsaktiengesellschaft (BVV)
Bayern-Versicherung Lebensversicherung Aktiengesellschaft (BL)
Consal Beteiligungsgesellschaft Aktiengesellschaft (Consal)
Bayerische Beamtenkrankenkasse Aktiengesellschaft (BK)
Union Krankenversicherung Aktiengesellschaft (UKV)
Union Reiseversicherung Aktiengesellschaft (URV)
Feuersozietät Berlin Brandenburg Versicherung Aktiengesellschaft (FS)
BavariaDirekt Versicherung AG (BDAG)
SAARLAND Feuerversicherung (SF)
Versicherungskammer Bayern Pensionskasse AG (VKB PK AG)
Versicherungskammer betriebliche Vorsorge GmbH
Versicherungskammer Bayern Versicherungs- und Vorsorgevermittlung GmbH
UBB Vermögenverwaltungsgesellschaft mbH
MediRisk Bayern Risk-Rehamanagement GmbH
Tecta Invest GmbH
Bayerische Versicherungskammer Landesbrand Kundenservice GmbH
Insure Connect GmbH
FidesSecur Versicherungs- und Wirtschaftsdienst Versicherungsmakler GmbH
Uptodate Ventures GmbH
Obelisk Vermögensverwaltungsgesellschaft mbH
Bavaria Versicherungsvermittlungs GmbH
S-Finanzvermittlung und Beratung GmbH
Finanzkonzept Saarpfalz GmbH
Nummer Sicher Versicherungsvermittlung Sankt Wendel GmbH
Consal Service GmbH
Consal Versicherungsdienste GmbH
Versicherungskammer Maklermanagement Kranken GmbH
Inverso Gesellschaft für Innovative Versicherungssoftware mbH
VKBit Betrieb GmbH
Consal Vertrieb Landesdirektionen GmbH
Versicherungsservice MFA GmbH