

# FAIR BUSINESS & COMPLIANCE

## 1. UNDERSTANDING THE TOPIC

The confidence our shareholders and investors have placed in our business is one of GCP's most valued assets. We believe that value-oriented stewardship of our company combined with ongoing strong returns are the foundation for this support.

Our long-term value creation strategy is underpinned by our commitment to ethical business conduct, robust corporate governance, and high levels of transparency. Our approach to fair business and compliance is founded in complete adherence with what is legally required and is reflective of our pledge to be a responsible organization and employer. Our pursuit of strong, secure cash flows and exceptional shareholder value is systematically supported by a risk mitigation philosophy that reduces and hedges risk exposure through a values-based approach.

The GCP Code of Conduct is the foundation of our business and culture, which embeds our principles of respect, performance, accountability, and sustainability firmly into our business activities. From the outset, our training and employee engagement activities seek to instill these same values in our employees and business partners. From data protection to anti-discrimination, the Code of Conduct aims to guide their everyday behaviors while enhancing GCP's reputation for integrity.

## 2. MANAGING THE TOPIC

We pride ourselves on working within the highest standards of ethical business, and in compliance with all relevant laws and regulations is a matter of course. GCP's compliance processes and control systems help us to navigate increasingly complex legal frameworks, safeguard our business against unethical behavior and its associated risks and uphold our reputation and commitment towards our stakeholders.

GCP has implemented a comprehensive set of ethical policies and guidelines outlining our commitments to transparency, fair business, and zero tolerance of non-compliance. These form a binding framework and all GCP employees and business partners are required to act accordingly. A management structure is in place to support these policies, covering the full scope of the Company's activities and enabling our management team to have full oversight of our operations.

Employees are strengthened in their ability to take decisions through clear guidelines and internal regulations with ongoing access to CREA, our e-learning self-study compliance courses, and our development programs for managers emphasize the tenets of professional leadership. In addition, zero tolerance towards compliance violations is continually communicated in meetings and mentorship and coaching programs.

We review and update our processes on an ongoing basis to ensure optimal alignment with the evolution of our portfolio, the market, and legal requirements. GCP's annual risk review feeds into our regular update of all compliance-related policies and procedures, taking account of any changes in the external regulatory context.

This enables us to harmonize all company guidelines with the latest requirements relevant to our activities.

On a day-to-day basis, GCP promotes ethical conduct among staff at all levels to ensure that our standards are diligently maintained. Structures are designed to promote timely, complete, and fault-free disclosure of conflicts of interest and other sources of controversies.

### Code of Conduct

The GCP Code of Conduct for employees and the Code of Conduct for Business Partners comprise the core of our ethical business framework and are a mandatory component within all employee contracts and contracts with business partners respectively. The Code of Conduct for employees sets out clear standards of behavior and is augmented by a framework of policies on key issues, including: Anti-corruption Policy, Anti-discrimination Policy, Human Rights Policy, Whistle-blowing Policy, Anti-money Laundering Policy, Data Protection Declaration, User Policy for Dealing with Digital Content and Devices, and the Green Procurement Policy.

All new employees receive training on the Code of Conduct when they join the company as part of the onboarding process, and existing employees are required to complete an annual refresher training on compliance awareness including corruption, money laundering and anti-competitive behavior. The refresher training is mandatory for all employees, regardless of contract type. Completion of the module is monitored through an internal tracking tool and managers are informed when the training has not been completed.

GCP also maintains a Code of Conduct for Business Partners, which is included within all supplier contracts. With the full integration of SAP, it will provide us with the functionality to track the signing of the Code by all our business partners, further formalizing their commitment to operating at the same high standards of compliance.

### Monitoring Compliance

GCP's internal control systems have been designed to exceed legal requirements and market expectations, and as such, we consider them to be thorough and effective. We have a rigorous internal risk monitoring system, which includes annual risk assessments to identify potential instances of non-compliance in relation to activities such as bribery, corruption, and anti-competitive behavior.

Employees and Supervisory Board members, for example, are required to register their membership of external industry organizations and institutions to track conflicts of interest, and any membership fees must be approved by the compliance department. Relevant employees are also obliged to undertake anti-trust e-learning training modules and receive guidance on competition law and risks.

As part of the annual risk assessment (that was postponed to 2022), we will implement a company-wide questionnaire to measure the understanding of compliance risks across the business, including familiarity with our policies. This will allow us to track key performance indicators such as employees' awareness of reporting lines, procedures, and legal obligations on an annual basis.

In 2021, we created a Group-wide intranet page to make it easier for all employees, regardless of location, to access consistent information, guidelines, policies and procedures on topics such as bribery, corruption and ethics along with links to CREA (our e-learning tool). The site also includes reporting tools to utilize digital convenience and remove some barriers of reporting. For example, employees will be able to directly report conflicts of interests with internal and external stakeholders, including those concerning gifts and entertainment, to the compliance department, supporting a robust monitoring approach. The intranet page will be fully launched in 2022.

### Whistle-blowing procedures

The standard internal reporting procedure via department and division heads to the Chief Compliance Officer is outlined in our Whistle-blowing Policy, which includes alternative routes to ensure employees feel empowered to register their concerns, free from fear of repercussions. Employees and business partners can report their concerns through email, post, a personal contact or a tollfree number.

Through our "Speak up" approach, employees are encouraged to address any concerns they might have about violations of the law, the Code of Conduct, or internal policies anonymously through a web-based reporting application. The system is operated via an external provider, giving both external and internal stakeholders the ability to report, 24/7, using secure communication, any suspected or verified instance of non-compliance or misconduct. The service will be officially launched in 2022.

We have established a Compliance Unit with representatives from the legal, HR and compliance teams, which is responsible for monitoring non-compliance reports and assessing these for both impact and severity. Where further investigation is required, management and the Compliance Unit will consult on the appropriate procedure. In the event an incident is reported, the Chief Compliance Officer is tasked with initiating an appropriate investigation of the circumstances, conducting discussions with the parties affected, and documenting a formal report. All reports are tracked and measured in line with our internal procedures, including the types of misconduct and any subsequent measures taken. The informant and witnesses are updated by the Compliance Department as needed. Disciplinary sanctions are taken should the preconditions for such measures be met.

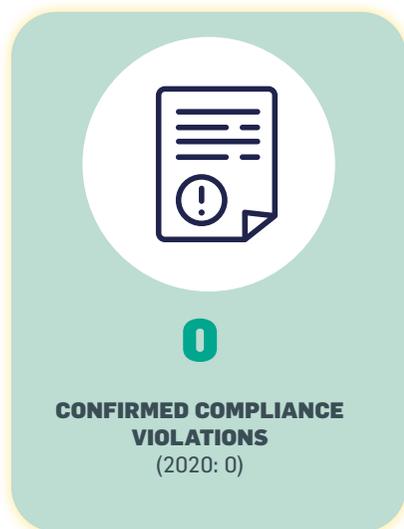
### Public policy and political donations

As a rule, we do not pursue any political lobbying activities or make donations to political parties. GCP does however participate in public policy debates through its membership of the German Property Federation (ZIA) (where we sit on its CSR and Diversity Committee), the European Public Real Estate Association (EPRA), and the German Sustainable Building Council (DGNB) – a non-profit association with a goal of supporting the sustainable construction and operation of real estate in Germany. For example, through EPRA - which promotes sustainability reporting for the transition to a sustainable built environment – we have previously supported engagement and consultation with the EU on the sustainable finance and Taxonomy Regulations as they apply to the real estate industry.

### 3. PERFORMANCE

#### Long-term Goals and 2021 Performance

To guide the implementation of our sustainability strategy and track our progress, we have a long-term goal to maintain zero compliance violations. To monitor our performance and contribute to this long-term goal, we track the number of confirmed violations on a yearly basis.



Our track record shows that our internal control systems are thorough and effective. We are committed to reviewing and updating our processes on an ongoing basis to ensure optimal alignment with the evolution of our portfolio, the market, and regulatory environments.

Over the past four years we have not been made aware of or identified any confirmed incidents of non-compliance. In 2021, four potential compliance cases were reported at GCP. However, following thorough internal audits, which did not identify sufficient evidence, the cases were closed. None of them lead to any sanction or fine.

In 2021, we set targets to focus our efforts on compliance risk management and awareness. Below, we have described the progress against these targets:

2021 Target	Status	Progress
Conduct a compliance risk assessment	Postponed	We postponed the 2021 Group-wide compliance risk assessment to 2022 to focus on implementing our whistle-blower system. Nevertheless, a risk assessment conducted in 2021 under the leadership of the ESG department and an internal audit covered a significant number of compliance topics that are related to ESG.
Launch a Group-wide compliance intranet site	Achieved	Guidelines, regulations, policies, and procedures by department have been made readily available to employees through the creation of a compliance intranet page in 2021, where information on topics such as bribery, corruption and ethics can be easily accessed by all. A reporting tool has also been added to the site to enable employees to directly report conflicts of interest to the compliance department, including those concerning gifts and entertainment. The intranet page will be officially launched in 2022.

## Priorities for 2022

Moving forward, we will continue to strengthen awareness of compliance across the business with the introduction of compliance awareness days and compliance ambassadors. Both initiatives have been postponed to 2022 due to restrictions on in-person meetings because of COVID-19. The compliance awareness days will inform employees about compliance and corporate governance, providing the necessary tools to address the risks that these topics present. The ambassadors will provide a point of contact between employees and the centralized compliance department, ensuring any compliance incidents and questions are raised and investigated appropriately. In addition, we will also put in place a virtual welcome day to create a coherent onboarding process for all new employees to ensure they are equipped with the information and tools they need to comply with our robust compliance culture.

To remain vigilant to the potential risks and opportunities posed by a dynamic external and internal context, we will undertake our postponed Group-wide compliance risk assessment in 2022. We will also roll-out a new Code of Conduct for all employees, so they remain up to date with compliance-related policies and procedures and understand what is expected and update our business partner evaluation process through SAP. This will be coupled by the official launch of our compliance intranet page.

These measures will support our longer-term goal to achieve external certification to the IDW (Institute of Public Auditors in Germany) PS 980 Standard for our compliance management system. The PS 980 standard provides a best-in-class framework for the content and structural requirements of a compliance management system in line with legal and regulatory requirements in Germany.

## DATA TABLE

### Public policy and political donations

Key figures	Unit	2019	2020	2021
Monetary contribution on lobbying and interest representation	€	0	0	0
Monetary contributions to local, regional or national political campaigns/ organizations/ candidates	€	0	0	0
Monetary contributions to trade associations	€	30,628	30,628	15,875
Total political contributions and spending on public policy	€	0	0	0

