

A large teal circle containing the text "Hypoport SE non-financial report 2024" in white, sans-serif font.

Hypoport SE
non-financial report
2024



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Information about the report's content and framework

The non-financial report of the Hypoport Group is based on the requirements of the CSR Directive Implementation Act (CSR-RUG). Since 2017, the non-financial report has supplemented the financial reporting with details of key non-financial aspects of business activities in the following areas: employee matters, environmental matters, combating corruption, social responsibility and human rights. The separate combined non-financial report for 2024 was prepared in accordance with section 289b-e and section 315b-c of the German Commercial Code (HGB).

The planned implementation of Directive (EU) 2022/2464, the Corporate Sustainability Reporting Directive (CSRD), is set to considerably expand the requirements regarding the disclosure of non-financial information within the European Union. Although the legislation has been passed at European level, the full transposition into national law in Germany is still ongoing. The CSRD calls for the application of the European Sustainability Reporting Standards (ESRS) and sets new benchmarks for sustainability reporting. The Hypoport Group is already taking these developments into account by proactively integrating elements of ESRS, including specific materiality assessment requirements, into its reporting on a voluntary basis. The aim is to further enhance the transparency of non-financial information and to prepare for the expanded requirements at an early stage. A conscious decision was made not to use additional frameworks in order to keep the reporting clear and comprehensible and to avoid making prior-year comparability even more difficult.

Business model and value chain

Hypoport SE is the parent company of the companies in the Hypoport Group (together referred to as 'Hypoport Group'). The Hypoport Group is engaged in the development and marketing of technology platforms for the credit, housing and insurance industries (fintech, proptech, insurtech). In 2024, the Hypoport Group companies were organised into four segments: Real Estate & Mortgage Platforms, Financing Platforms, Insurance Platforms and Holding, with the Holding segment not conducting any external operational activities. A detailed description of the business models can be found in the 'Business and economic conditions' section of the Group management report.

The value chain of a software technology company in the credit, housing and insurance industries has significantly fewer working links than the value chain of manufacturing-related companies in the industrial or trading sector. The services offered by the companies in the Hypoport Group are for the most part produced using the Group's own resources. This means the supply chain risk is extremely low. Hypoport mainly works with suppliers in the areas of facility management and office services. Applicable legal requirements in the environmental, social and governance (ESG) field were appropriately taken into account when selecting and commissioning suppliers and service providers.

The Hypoport Group takes its environmental, social and governance responsibilities towards society seriously in its business activities. Taking a structured approach, Hypoport therefore continually monitors developments in the German technology market as well as the credit, housing and insurance markets and within the Hypoport Group itself, and analyses how these developments could affect the Group's business activities.

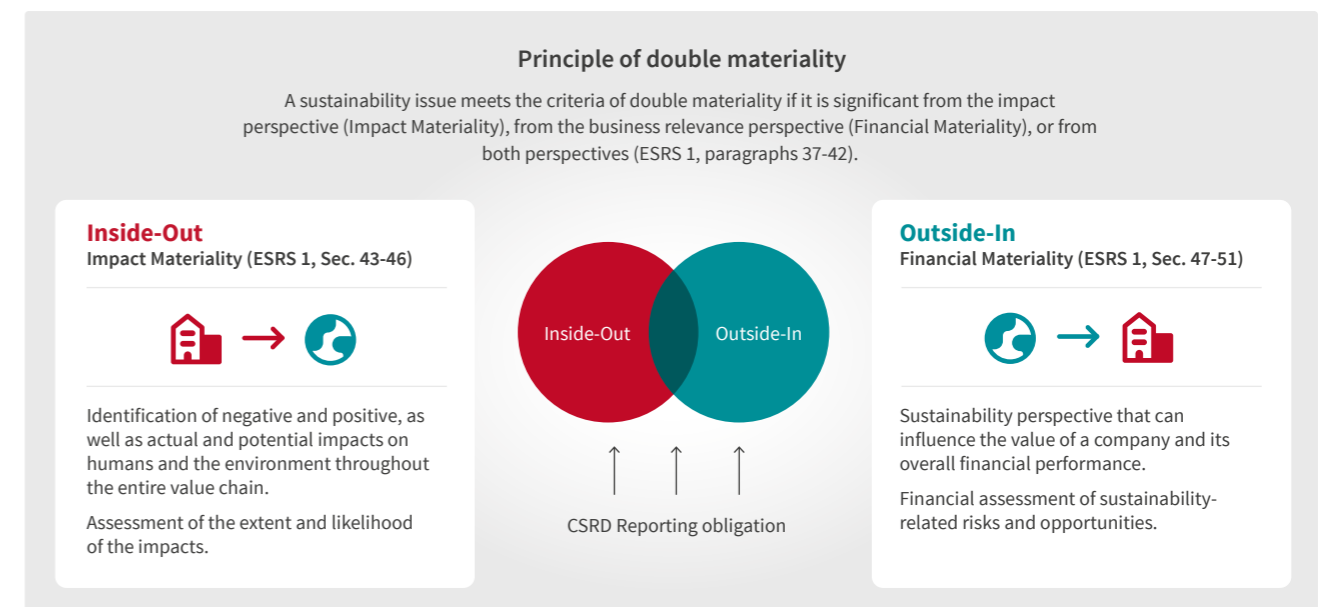
Material impacts, risks and opportunities

The Hypoport Group carried out a comprehensive materiality assessment in 2024 to methodically identify and prioritise the relevant topics for the Group's sustainability strategy. This assessment is the basis for systematically evaluating the impacts, risks and opportunities related to ESG matters and deriving strategic actions from this.

Process of the materiality assessment

The materiality assessment considers two perspectives:

- The impacts of the business activities on the environment, society and employees (inside out).
- The importance of the topics to commercial success and the Company's growth (outside in).



A topic is deemed material if it is highly relevant to one or both of these perspectives. The requirements of ESRS were factored into the assessment process in order to meet the growing expectations with regard to transparency.

Basis of consolidation and strategic review

A strategic review formed the basis of the assessment. The non-financial basis of consolidation was defined in line with the financial basis of consolidation of the consolidated financial statements.

Stakeholder engagement

A key element of the process was the involvement of internal and external stakeholders, which was achieved through a structured survey covering environmental, social and governance topics. For example, employees in the Controlling, HR and Compliance departments, the management bodies of the segments, the Management Board and external shareholders all provided invaluable insights. This feedback was complemented by market studies and sustainability ratings with the aim of taking sector-specific trends and regulatory requirements into account.

Value chain assessment

Another key task in the materiality assessment was to examine the entire value chain. This involved looking at upstream, internal and downstream processes:

Upstream value chain: focus on the leading suppliers by purchasing volume.

Internal activities: analysis of the technology platforms developed by the Hypoport Group.

Downstream processes: a look at the most important customer groups, including banks, estate agents and insurance companies.

- **Upstream value chain:** focus on the leading suppliers by purchasing volume.
- **Internal activities:** analysis of the technology platforms developed by the Hypoport Group.
- **Downstream processes:** a look at the most important customer groups, including banks, estate agents and insurance companies.

Assessment of impact materiality and financial materiality

Impact materiality

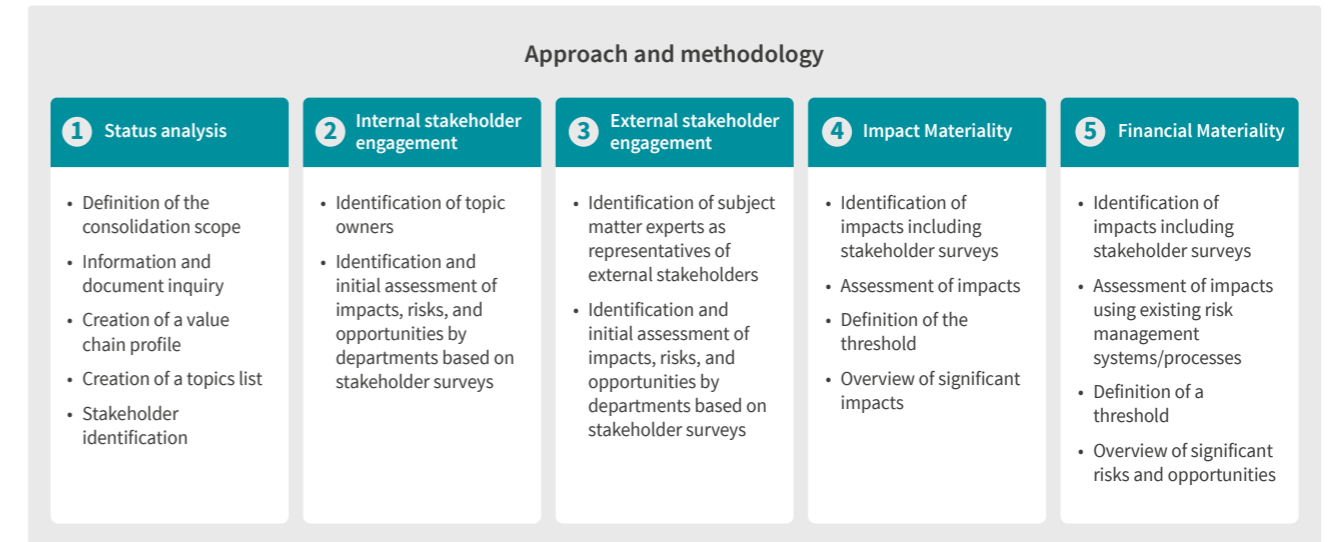
We assess the impacts of our business activities using factors such as scale, scope and likelihood of occurrence. For example:

- **Positive impacts:** support for employee health and climate action.
- **Negative impacts:** greenhouse gas emissions and data protection risks.

Financial materiality

The financial opportunities and risks were also assessed. These include:

- **Opportunities:** potential for environmental benefits thanks to our digital business model.
- **Risks:** data protection risks and regulatory risks.



Results of the materiality assessment

The assessment identified 18 material topic clusters in the following categories: climate change mitigation, climate action, energy, working conditions, equal treatment and opportunities, information-related impacts on consumers and end-users, protection of whistleblowers and corporate governance/culture. These topics provide a solid foundation for reporting. A detailed description is available in the relevant sections 'Environment', 'Social' and 'Governance'.

Hypoport Code of Conduct

The Hypoport Code of Conduct reflects the shared values and standards of the Hypoport Group and provides all employees with guidelines for ethical behaviour. Integrity, fairness, transparency and respect are core values. The Hypoport Code of Conduct encourages employees to take responsibility for these values and thus strengthens trust in our role as a technology company. The Code of Conduct sets out the basic requirements that the actions of all Hypoport Group employees and management teams must meet, including with regard to environmental, social and governance matters. The Hypoport Code of Conduct is available on Hypoport SE's website at www.hypoport.com/investor-relations/corporate-governance/.

Supplier Code of Conduct

As part of its internal Procurement Policy, Hypoport has a Supplier Code of Conduct that can, and in certain cases must, be used by Hypoport entities. Based on our internal guidelines and principles, and on Hypoport SE's declaration of principles regarding the Supply Chain Due Diligence Act, the Code of Conduct defines specific requirements in the areas of environment, social responsibility and governance that our suppliers must meet. As we would like to see a continuous improvement of social and environmental standards in our supplier network, our Code of Conduct aims to encourage suppliers to initiate actions beyond the specific requirements of the Code and implement them along their own supply chain.

Environment

The Hypoport Group takes numerous operational measures to meet its responsibility to limit the impact of man-made climate change. The strategic framework is set by the Management Board of Hypoport SE. The decentralised structure of the Hypoport Group means that the translation of the strategy into specific policies and the operational implementation of environmental measures is devolved to the relevant segments and/or their subsidiaries. This organisational form enables the rapid implementation of environmental strategies in the individual subsidiaries within a clear framework defined by the Management Board and Supervisory Board of Hypoport SE. The environmental commitments and strategy of the Hypoport SE Management Board and Supervisory Board are as follows:

- Hypoport acknowledges the existence of man-made climate change.
- Hypoport commits to protecting the environment and creating environmental awareness.
- Hypoport commits to reducing emissions and releases of greenhouse gases, reducing waste and using natural resources and energy more efficiently wherever reasonably possible.
- Hypoport is committed to using sustainable energy sources instead of fossil fuels wherever reasonably possible.
- Hypoport commits to reporting regularly and consulting with stakeholders on environmental issues.

Material impacts, risks and opportunities

Climate change adaptation

Hypoport makes an important contribution to climate change adaptation by brokering transparent financing opportunities. The brokering of loans for building renovations, refurbishments and modernisations, in particular, enables households to adapt to changing climatic conditions. Furthermore, the financing of energy-efficient new builds, with their excellent insulation and lower energy intensity, can help consumers to reduce their carbon emissions.

Climate action

Support for energy-related sustainability projects is another key aspect of the Hypoport Group's sustainability strategy. Loans brokered to finance renewable energy, for example the construction of wind farms, can help to reduce greenhouse emissions downstream and support the shift to green energy. In addition, the Hypoport Group's digital business model opens up opportunities for environmental benefits along the entire value chain. Digitalisation is reducing resource consumption and enabling efficient and sustainable business processes. There are particular opportunities in the development of property markets, as investment in climate-resilient buildings can help to avoid losses in value caused by environmental and climate-related influences.

Energie

- **Scope 1 and Scope 2 emissions:** greenhouse gas emissions are caused by the energy consumption of office buildings (heating, cooling, electricity) and the Company's vehicle fleet and data centres.
- **Scope 3 emissions:** emissions in the upstream value chain are generated during the manufacture and supply of products and services such as IT equipment, cloud solutions and vehicles. Further emissions are generated through business travel, employee commuting and working from home.

Actions

Management of Scope 1 and Scope 2 greenhouse gas emissions in own operations

Virtually all the Hypoport Group's energy now comes from completely carbon-neutral, next-generation hydro-electric or wind power plants based in northern Europe, all of which are not more than six years old. The 'HNK Neu 100' energy tariff has been certified by the TÜV Rheinland e.V. product standards authority.

The Group only uses electric, hybrid or modern diesel vehicles as company cars (see table), with the aim of gradually increasing the share of electric and hybrid vehicles in the fleet year by year.

Since it has not yet been possible to convert the fleet entirely to climate-friendly electric and hybrid vehicles for economic, organisational and contractual reasons, Hypoport has decided to voluntarily offset its CO₂ emissions during the transition period. To this end, it entered into a collaboration with the fuel card provider DKV, in cooperation with myclimate Deutschland, one of the world's leading providers of carbon offsetting measures. Hypoport's payments benefit climate change mitigation projects.

Management of Scope 3 greenhouse gas emissions

Hypoport hub SE's IT procurement plays a key role in reducing energy consumption. More than 98 per cent of the computer hardware used by the Hypoport Group has an ENERGY STAR label or an eco declaration. The hardware is purchased exclusively from suppliers in the European Union and from certified manufacturers such as Lenovo and Dell (laptops), Apple (MacBooks) and Dell and LG (monitors).

At many of our offices, we use the Quooker drinking water system in combination with the LEO-GANT upgrade. Following installation of the system, the regular deliveries of bottled water reduced sharply, saving 12,589kg of CO₂ on the transport of bottled water. Plastic bottles are no longer used in any part of the Hypoport Group. One of the measures used to achieve this was switching to recycled, sustainable glass bottles ('Soulbottles').

To avoid unnecessary emissions generated by employees travelling between the Hypoport Group's two main sites, Berlin and Lübeck, we have invested in cutting-edge video-conferencing technology. Since 2023, Hypoport also provides a 30 per cent subsidy towards the cost of the 'Deutschland-Ticket', which allows reduced-price travel on local public transport. This is an additional incentive for employees to use low-carbon mobility options for travelling to work and between company sites.

Brokerage of loans to finance the renovation and modernisation of buildings and for the construction of energy-efficient housing starts

The Hypoport Group's products and services have a high environmental benefit because they help to mitigate the effects of man-made climate change. Hypoport subsidiary REM Capital AG provides consultancy services in the corporate finance sub-segment – part of the Credit Platform segment until 2023 but now in the Financing Platforms segment – that enable companies in the German SME sector to invest in energy efficiency, resource efficiency and research and development in relation to environmental matters. In 2024, more than half (59 per cent) of the revenue from the corporate finance business was directly attributable to environmental matters and resulted in a significant reduction in greenhouse gas emissions by German SMEs. This includes revenue from the brokerage of loans under energy efficiency programmes funded by the KfW development bank and the public funding programme for energy-efficient buildings (new building, renovation, residential, commercial).

Hypoport subsidiary Dr. Klein Wowi Finanz AG has been advising the German housing sector since 1954. In recent years, its focus has increasingly shifted to energy efficiency programmes and low-emission building projects. In 2024, new loans of €85.76 million were brokered from Germany's KfW development bank for the purpose of reducing emissions. This represented 12 per cent (2023: 9 per cent) of the total volume of loans brokered (€737.73 million).

In addition, the subsidiary Dr. Klein Privatkunden AG uses the Group's own Europace credit platform to broker loans for energy-efficient housing starts and the modernisation of existing real estate. In 2024, these two product groups accounted for around 10 per cent of the business on Europace, which equates to a transaction volume of around €6 billion.

Brokerage of loans for sustainable projects, such as the expansion of renewable energy

In addition to services related to energy efficiency programmes funded by the KfW development bank and the public funding programme for energy-efficient buildings (new building, renovation, residential, commercial) (see above), the consultancy services of Hypoport's subsidiary REM Capital AG in the corporate finance sub-segment of the Financing Platforms segment include KfW environmental programmes for production facilities, KfW energy efficiency programmes for production facilities and process engineering, pilot environmental innovation programmes for production facilities, international renewable energies projects and a programme to transform the vehicle manufacturer and supplier industry (focusing on electric vehicles).

Digital business model offers environmental benefits

The companies within the Hypoport Group are primarily engaged in the development and marketing of B2B technology platforms for the credit, housing and insurance industries. They make the technology platforms available to existing market players in these highly regulated sectors to use for their own operational activities. Banks and financial product distributors, for example, use Hypoport's Europace platform to market their mortgage finance products, building finance products and personal loans. The Hypoport platforms SmartInsur and ePension allow insurance providers and financial product distributors to market and manage insurance products and occupational insurance products. The WOWIPORT platform enables owners of large housing portfolios to efficiently manage their residential units. The abovementioned customer sectors traditionally consumed a lot of paper due to high regulatory standards and the associated requirement to keep comprehensive records. By almost completely digitalising customer business processes, Hypoport's platforms helped to save several tonnes of paper in 2024. And thanks to digital communication, several hundred thousand letters no longer needed to be sent by post.

Opportunities related to the development of the property markets

Environmental and climate-related influences are likely to change the requirements placed on the building fabric of both new buildings and existing properties in Germany. Over time, stricter building standards regarding protection from heat, flooding, heavy rain and storms will drive demand for financing for housing starts and result in additional investment to maintain the value of existing properties.

Due to the comparatively poor energy rating and insulation of German properties and, in some cases, their location in flood areas on major rivers, a large number of medium-sized investments per household will be required in Germany over the coming decades. According to the study 'Wohnungsbau: Die Zukunft des Bestandes' (Housebuilding: the future of the housing stock) produced by GDW/Arbeitsgemeinschaft für zeitgemäßes Bauen e.V. in 2022, a total of around €3,000 billion will need to be invested by 2045.

The potential gross profit is therefore estimated to be considerable and the likelihood of occurrence to be high in the long term.

Metrics

Carrying out a comprehensive lifecycle assessment is fundamental to the transparent and credible communication of environmental accountability. This lifecycle assessment is intended to systematically record, analyse and transparently present the Hypoport Group's greenhouse gas emissions (GHG emissions). The aim is to quantify the impacts of our business activities on the climate along the entire value chain and identify possible means of reducing emissions. Our methodology is based on the systematic collection of data from internal sources and ex-

ternal partners. We follow the generally accepted standards of the Greenhouse Gas Protocol (GHG Protocol), which offer us a clear structure for categorising emissions in Scope 1, Scope 2 and Scope 3.

Scope 1

Scope 1 emissions are all direct greenhouse gas emissions from sources that a company owns or controls. These are emissions generated directly within the organisational boundaries.

Category	tCO2e	Share of total emissions in %
Fleet	2,078.14	65.89

Scope 2

Scope 2 emissions are indirect greenhouse gas emissions from the use of purchased energy. These emissions are physically produced during energy generation by a third party, but are allocated to the organisation that uses the energy.

Category	tCO2e	Share of total emissions in %
Electricity	218.27	6.92
Heating	649.99	20.61

Scope 3

Scope 3 emissions comprise all other indirect emissions that are generated along a company's value chain and do not fall under Scope 1 or Scope 2. These emissions are a consequence of the company's activities, but are generated by sources that the company neither owns nor controls.

Category	tCO2e	Share of total emissions in %
Purchased goods and services	68.59	2.17
Business trips	56.35	1.79
Investments	82.35	2.61

Total emissions

The total emissions provide the full picture of the Hypoport Group's climate impact.

	tCO2e
Total emissions	3,153.69

Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

As the parent entity of the Hypoport Group, Hypoport SE is obliged to make disclosures in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178. The EU taxonomy aims to steer expenditure into environmentally sustainable economic activities and thus support the transition to a climate-neutral economy. To achieve this, the EU taxonomy provides a classification system for economic activities that can contribute to the following environmental objectives ('taxonomy-eligible economic activities'):

- Climate Change Mitigation (CCM)
- Climate Change Adaptation (CCA)
- Sustainable use and protection of water and marine resources (Water and Marine Resources, WTR)
- Transition to a circular economy (Circular Economy, CE)
- Pollution Prevention and Control (PPC)
- Protection and restoration of biodiversity and ecosystems (Biodiversity and Ecosystems, BIO).

Economic activities are only considered taxonomy-aligned, i.e. environmentally sustainable, if they meet all defined criteria for a material contribution to at least one of the abovementioned environmental objectives, while doing no significant harm to any of the other objectives (Do No Significant Harm, DNSH). The criteria, described in Commission Delegated Regulations (EU) 2021/2139, (EU) 2022/1214, (EU) 2023/2485 and (EU) 2023/2486, are under ongoing development. For an economic activity to be taxonomy-aligned, compliance with minimum social standards must also be ensured.

The disclosures in accordance with the Taxonomy Regulation and Commission Delegated Regulation (EU) 2021/2178 cover the Hypoport Group's revenue, capital expenditure (CapEx) and operating expenditure (OpEx) linked to taxonomy-eligible and taxonomy-aligned economic activities.

The information for Hypoport for 2024 is disclosed in the following sections, with the disclosures on taxonomy-eligible and taxonomy-aligned economic activities limited to Hypoport's

material business activities (more than 1 per cent of revenue, CapEx or OpEx per taxonomy-eligible economic activity).

Taxonomy-eligible economic activities

As was also the case last year, Hypoport did not generate any revenue through taxonomy-eligible economic activities. This is due to the strict requirements and definitions of the EU taxonomy, which do not fit a technology company that serves the credit, property and insurance industries through a business model based on high-tech online platforms rather than the manufacture of goods.

In addition to its core business, Hypoport also takes economic activities into account that are part of the general company infrastructure and do not generate revenue. These include:

- Passenger cars leased by the Hypoport Group (Transport by motorbikes, passenger cars and light commercial vehicles (CCM 6.5)) The size of this taxonomy-eligible economic activity has increased slightly from around €0.8 million last year to €1.0 million this year, though the share of CapEx remained the same at 3 per cent.
- Leased office space pursuant to IFRS16 was recognised as taxonomy-eligible due to adjustments in the methodology, which led to a rise in CapEx for the taxonomy-eligible economic activity 'Acquisition and ownership of buildings' (CCM 7.7) from €0.8 million to €10.1 million. Consequently, the share of CapEx rose significantly from 3 per cent to 26 per cent.
- Capital expenditure on taxonomy-eligible data centres, which are needed to operate and house the technology platforms, was recorded for the first time and amounted to €0.7 million, or 2 per cent of CapEx. Expenditure on storing and managing data in data centres was also recorded for the first time and amounted to €8.5 million for taxonomy-eligible activities, or 41 per cent of OpEx (Data processing, hosting and related activities (CCM 8.1)).
- New additions are expenditure of €0.3 million, or 2 per cent of OpEx, on taxonomy-eligible leasing of employee bicycles ('Operation of personal mobility devices, cycle logistics' (CCM 6.4)), and expenditure of €1.4 million, or 7 per cent of OpEx, on taxonomy-eligible leasing of IT ('Manufacture of electrical and electronic equipment' (CE 1.2)).

Taxonomy-eligible and taxonomy-aligned economic activities

Due to a lack of available data, we are not yet able to check taxonomy-eligible vehicles, buildings and server infrastructure for taxonomy alignment. We therefore disclose CapEx and OpEx related to the abovementioned economic activities as taxonomy-eligible, but not taxonomy-aligned.

Accounting principles for the Taxonomy

The proportion of taxonomy-eligible and taxonomy-aligned revenue, capital expenditure and operating expenditure is derived from the consolidated total values for the Hypoport Group.

In this context, revenue corresponds to the Group revenue in the income statement. It amounted to €561 million in 2024 (see 2024 consolidated financial statements). The revenue includes income reported in accordance with International Accounting Standard (IAS) 1 paragraph 82(a) as amended by Commission Regulation (EC) No 1126/2008.

Capital expenditure (CapEx), which includes additions to property, plant, equipment, intangible assets and right-of-use assets, amounted to €40 million in 2024 (see consolidated financial statements). As a non-financial enterprise, Hypoport uses the International Financial Reporting Standards (IFRS) pursuant to Regulation (EC) No 1126/2008, which means that capital expenditure includes costs based on the following standards: IAS 16 Property, Plant and Equipment, paragraph 73 (e) (i) and (iii); IAS 38 Intangible Assets, paragraph 118 (e) (i); and IFRS 16 Leases, paragraph 53 (h). Leases that do not result in the recognition of a right to use the underlying asset are not recognised as capital expenditure. Hypoport SE has not used a CapEx plan to calculate the numerator.

Under the provisions of the EU taxonomy, operating expenditure (OpEx) includes expenses on research and development, building renovations, short-term leasing, maintenance and repair, as well as all other direct expenses related to the day-to-day maintenance of property, plant and equipment. It amounted to €21 million in 2024.

Double counting is avoided by allocating a transaction to a cost centre in accounting, and subsequently by allocating economic activities to these cost centres as part of the EU taxonomy assessment.

Reporting Form:

Share of Revenue from Goods or Services Related to Taxonomy-Compliant Economic Activities — Disclosure for the Year 2024

Geschäftsjahr		2024		Criteria for a Substantial Contribution:						DNSH Criteria ('Do No Significant Harm')						Minimum Safeguards ³	Share of Taxonomy-Compliant (A.1.) or Taxonomy-Eligible (A.2.) Revenue, 2023	Enabling Activity Category ⁴	Transitional Activity Category ⁵	
Economic activities	Code ¹	Revenue	Revenue Share 2024	Climate Protection	Adaptation to Climate Change	Water	Pollution	Circular Economy	Biodiversity	Climate Protection	Adaptation to Climate Change	Water	Pollution	Circular Economy	Biodiversity					Y/N
		mn €	%	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally Sustainable Activities (Taxonomy-Compliant)																				
-	-	0	0,00%																	
Revenue from Environmentally Sustainable Activities (Taxonomy-Compliant) (A.1)		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Y	Y	Y	Y	Y	Y	Y	Y	0.00%		
thereof Enabling Activities		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Y	Y	Y	Y	Y	Y	Y	Y	0.00%	E	
thereof Transitional Activities		0	0.00%	0.00%						Y	Y	Y	Y	Y	Y	Y	Y	0.00%		T
A.2. Taxonomy-Eligible but Not Environmentally Sustainable Activities (Non-Taxonomy-Compliant Activities)																				
				EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶											
-	-	0	0.00%																	
Revenue from Taxonomy-Eligible but Not Environmentally Sustainable Activities (Non-Taxonomy-Compliant Activities) (A.2)		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%									0.00%		
A. Revenue from Taxonomy-Eligible Activities (A.1 + A.2)		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%									0.00%		
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																				
Revenue from Non-Taxonomy-Eligible Activities (B)		561	100.00%																	
TOTAL (A+B)		561	100%																	

1. Abbreviation of the respective environmental goal (CCM = Climate Protection, CCA = Adaptation to Climate Change, WTR = Water, PPC = Pollution, CE = Circular Economy, BIO = Biodiversity) and number of economic activities according to the delegated acts on the Taxonomy Regulation.
2. Y - Yes, taxonomy-eligible and taxonomy-compliant for the relevant environmental goal; N - No, taxonomy-eligible but not taxonomy-compliant for the relevant environmental goal; N/EL - 'not eligible', not taxonomy-eligible for the respective environmental goal.
3. Compliance with social minimum standards according to Article 18 of the Taxonomy Regulation.
4. E - Enabling activities according to Article 16 of the Taxonomy Regulation, which directly enable other activities to make a substantial contribution to one or more of the environmental goals ('Enabling activities').
5. T - Transitional activities according to Article 10(2) of the Taxonomy Regulation, which support the transition to a climate-neutral economy ('Transitional activities').
6. EL - 'eligible', taxonomy-eligible for the respective environmental goal; N/EL - 'not eligible', not taxonomy-eligible for the respective environmental goal.

Reporting Form:

Share of CapEx from Goods or Services Related to Taxonomy-Compliant Economic Activities – Disclosure for 2024

Financial Year		2024		Criteria for a Substantial Contribution:						DNSH Criteria ('Do No Significant Harm')						Minimum Safeguards ³	Share of Taxonomy-Compliant (A.1.) or Taxonomy-Eligible (A.2.) CapEx, 2023	Enabling Activity Category ⁴	Transitional Activity Category ⁵	
Economic Activities	Code ¹	CapEx	CapEx-Share 2024	Climate Protection	Adaptation to Climate Change	Water	Pollution	Circular Economy	Biodiversity	Climate Protection	Adaptation to Climate Change	Water	Pollution	Circular Economy	Biodiversity					Y/N
		mn €	%	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally Sustainable Activities (Taxonomy-Compliant)																				
-	-																	0.0%		
CapEx from Environmentally Sustainable Activities (Taxonomy-Compliant) (A.1)		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	Y	0.0%		
thereof Enabling Activities		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
thereof Transitional Activities		0	0.0%	0.0%						Y	Y	Y	Y	Y	Y	Y	Y	0.0%		T
A.2. Taxonomy-Eligible but Not Environmentally Sustainable Activities (Non-Taxonomy-Compliant Activities)																				
				EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶											
Transportation by Motorcycles, Passenger Cars, and Light Commercial Vehicles	CCM 6.5	1.018	2.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									3.0%		
Acquisition and Ownership of Buildings	CCM 7.7	10.110	25.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.0%		
Data Processing, Hosting, and Related Activities	CCM 8.1	0.736	1.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.0%		
CapEx from Taxonomy-Eligible but Not Environmentally Sustainable Activities (Non-Taxonomy-Compliant Activities) (A.2)		11.864	29.9%	29.9%	0.0%	0.0%	0.0%	0.0%	0.0%									3.0%		
A. CapEx from Taxonomy-Eligible Activities (A.1 + A.2)		11.864	29.9%	29.9%	0.0%	0.0%	0.0%	0.0%	0.0%									3.0%		
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																				
CapEx from Non-Taxonomy-Eligible Activities (B)		27.849	70.1%																	
TOTAL (A + B)		39.713	100%																	

1. Abbreviation of the respective environmental goal (CCM = Climate Protection, CCA = Adaptation to Climate Change, WTR = Water, PPC = Pollution, CE = Circular Economy, BIO = Biodiversity) and number of economic activities according to the delegated acts on the Taxonomy Regulation.
2. Y - Yes, taxonomy-eligible and taxonomy-compliant for the relevant environmental goal; N - No, taxonomy-eligible but not taxonomy-compliant for the relevant environmental goal; N/EL - 'not eligible', not taxonomy-eligible for the respective environmental goal.
3. Compliance with social minimum standards according to Article 18 of the Taxonomy Regulation.
4. E - Enabling activities according to Article 16 of the Taxonomy Regulation, which directly enable other activities to make a substantial contribution to one or more of the environmental goals ('Enabling activities').
5. T - Transitional activities according to Article 10(2) of the Taxonomy Regulation, which support the transition to a climate-neutral economy ('Transitional activities').
6. EL - 'eligible', taxonomy-eligible for the respective environmental goal; N/EL - 'not eligible', not taxonomy-eligible for the respective environmental goal

Reporting Form:

Share of OpEx from Goods or Services Related to Taxonomy-Compliant Economic Activities – Disclosure for 2024

Financial Year		2024		Criteria for a Substantial Contribution						DNSH Criteria ('Do No Significant Harm')						Minimum Safeguards ³	Share of Taxonomy-Compliant (A.1.) or Taxonomy-Eligible (A.2.) CapEx, 2023	Enabling Activity ⁴	Transitional Activity ⁵	
Economic Activities	Code ¹	OpEx	CapEx-anteil 2024	Climate Protection	Adaptation to Climate Change	Water	Pollution	Circular Economy	Biodiversity	Climate Protection	Adaptation to Climate Change	Water	Pollution	Circular Economy	Biodiversity					Y/N
		mn €	%	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally Sustainable Activities (Taxonomy-Compliant)																				
-	-	0	0.0%															0.0%		
OpEx from Environmentally Sustainable Activities (Taxonomy-Compliant) (A.1)		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	Y	0.0%		
thereof Enabling Activities		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
thereof Transitional Activities		0	0.0%	0.0%						Y	Y	Y	Y	Y	Y	Y	Y	0.0%		T
A.2. Taxonomy-Eligible but Not Environmentally Sustainable Activities (Non-Taxonomy-Compliant Activities)																				
				EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶	EL; N/EL ⁶											
Operation of Personal Mobility Devices, Cycling Logistics	CCM 6.4	0.307	1.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.0%		
Data Processing, Hosting, and Related Activities	CCM 8.1	8.457	40.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.0%		
Manufacture of Electrical and Electronic Equipment	CE 1.2	1.417	6.8%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									0.0%		
OpEx from Taxonomy-Eligible but Not Environmentally Sustainable Activities (Non-Taxonomy-Compliant Activities) (A.2)		10.181	49.1%	42.3%	0.0%	0.0%	0.0%	6.8%	0.0%									0.0%		
A. OpEx from Taxonomy-Eligible Activities (A.1 + A.2)		10.181	49.1%	42.3%	0.0%	0.0%	0.0%	6.8%	0.0%									0.0%		
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																				
OpEx from Non-Taxonomy-Eligible Activities (B)		10.5416	50.9%																	
TOTAL (A + B)		20.723	100%																	

1. Abbreviation of the respective environmental goal (CCM = Climate Protection, CCA = Adaptation to Climate Change, WTR = Water, PPC = Pollution, CE = Circular Economy, BIO = Biodiversity) and number of economic activities according to the delegated acts on the Taxonomy Regulation.
2. Y - Yes, taxonomy-eligible and taxonomy-compliant for the relevant environmental goal; N - No, taxonomy-eligible but not taxonomy-compliant for the relevant environmental goal; N/EL - 'not eligible', not taxonomy-eligible for the respective environmental goal.
3. Compliance with social minimum standards according to Article 18 of the Taxonomy Regulation.
4. E - Enabling activities according to Article 16 of the Taxonomy Regulation, which directly enable other activities to make a substantial contribution to one or more of the environmental goals ('Enabling activities').
5. T - Transitional activities according to Article 10(2) of the Taxonomy Regulation, which support the transition to a climate-neutral economy ('Transitional activities').
6. EL - 'eligible', taxonomy-eligible for the respective environmental goal; N/EL - 'not eligible', not taxonomy-eligible for the respective environmental goal.

Social

Doing business and corporate citizenship go hand in hand for the Hypoport Group. The social responsibility commitments and strategy of the Hypoport SE Management Board and Supervisory Board are as follows:

- Hypoport commits to employment security and responsible workforce restructuring, especially to the avoidance and minimisation of compulsory redundancies and large-scale layoffs. In the unlikely event of compulsory redundancies, Hypoport commits to implementing measures to mitigate the consequences for employees made redundant.
- Hypoport promotes an equal opportunities culture. It prohibits and will not tolerate discrimination on the grounds of personal characteristics such as age, disability, ethnic origin, family status, race, religion, gender, sexual orientation or social origin, particularly in connection with recruitment practices, promotion, pay and access to further training and development. The Management Board of Hypoport SE will not tolerate any bullying or abuse of power and makes efforts to prevent these behaviours.
- Hypoport is committed to a level playing field and the pursuit of a fair marketing strategy. To this end, the Management Board of Hypoport SE resolved not to sponsor mega-events or donate to political parties or lobbying organisations if the purpose of such sponsorship or donations is to exert undue influence. Hypoport therefore does not sponsor mega-events and does not donate to political parties or lobbying organisations. For many years, there have only been individual donations from various teams at Hypoport SE and its subsidiaries to a range of community projects, mainly in Germany.

Material impacts, risks and opportunities

Working conditions

Working conditions at Hypoport have a considerable impact on the health and wellbeing of employees. High workloads and stress at work, for example due to long working hours or a lack of staff, can take their toll on physical and mental health. This harbours the risk of absenteeism, low job satisfaction and long-term health issues.

In contrast, positive working conditions present opportunities to boost wellbeing. These include increased job satisfaction when supportive structures and a culture of respect and appreciation are in place. A good work-life balance and financial security also help to retain employees and increase their motivation.

Equal treatment and opportunities

The advancement of equal opportunities and continuing professional development has a direct positive impact on employees' careers. It also increases Hypoport's attractiveness as an employer and provides a lasting boost to innovative strength. Risks arise where continuing professional development options or fair opportunities for career advancement are inadequately implemented, as this can have a negative impact on employee motivation and retention.

Information-related impacts and data protection

The area of data protection and information security can harbour considerable risks. A potential loss or theft of data, for example as the result of cyberattacks or negligent handling of data, could have severe consequences for customers and for Hypoport. These include financial losses, reputational damage and a loss of trust among customers and partners.

In contrast, high information security standards can boost customer confidence and position the Company as a responsible partner in the market.

Actions

Diversity

Women now occupy more than 35 per cent of management positions in the Hypoport Group, which represents a slight increase on 2023 and a significant increase on 2021 when these figures were first collected. This proportion is high compared with the proportion of women on the STEM degree courses of relevance to Hypoport (approx. 25 per cent) in Germany and the proportion of women in management positions (16–32 per cent) (see IAB Brief Report 22/2023 from the Institute for Employment Research (IAB)) in the German finance and insurance services industry. Hypoport employees are 40.6 years old on average, significantly younger than the average of 47 years at comparable financial service providers such as savings banks, cooperative banks and insurance companies (see Banking hub by ZEB). We expect only 46 employees to retire by 2030 (less than 2 per cent of the workforce). This outlook gives Hypoport a clear advantage over the competition, while its balanced age structure enables the Company to support, develop and retain young talent and ensure that long-serving employees share their knowledge.

At Hypoport Management Board level, responsibility for diversity issues rests with CEO Ronald Slabke.

Employee recruitment and retention

The employees are a crucial competitive factor for the business models of the Hypoport Group. The lasting success and ongoing evolution of our group of companies are essentially guaranteed by a suitably qualified and highly motivated workforce. The skills, dedication, creativity and motivation of these employees determine our ability to compete and adapt for the future. Our organisational and professional development work is therefore always geared to finding, recruiting, retaining and developing talented people and making them want to work for Hypoport. As a result, the concept for the recruitment and retention of employees is designed so that employees identify particularly strongly with, and develop an enduring passion for, their work, their particular Group company and Hypoport segment, and the Group as a whole.

The Hypoport Group takes various steps aimed at ensuring employees are able to structure their working hours usefully and plan their free time. These include various part-time models for all employees (also available to managers), a system of flexible working timed based on mutual trust, and the option of remote working as part of a hybrid working arrangement. In addition to the option to work remotely within Germany, which accounts for more than 55 per cent of all provisions in employment contracts, Hypoport also facilitates remote working in the European Economic Area in the form of a 'workation'. Furthermore, all employees have the option of obtaining up to 20 additional days' holiday a year by means of a salary waiver, in addition to their contractually agreed holiday entitlement (30 days), and of taking unpaid leave on a flexible basis. Longer-term unpaid sabbaticals may be requested as well. There are also options for taking short-term unpaid special leave, for example to care for family members or in the event of the death of a close relative. Special leave can also be taken for training and education purposes.

This broad range of measures, coupled with the high degree of individual responsibility, self-determination and freedom for employees to shape their own roles, creates a superior work-life balance for employees of the Hypoport Group.

An attractive working environment is a crucial criterion when it comes to recruiting and retaining talented staff. Consequently, Hypoport continually updates the systems and equipment in its workplaces. For example, all new workstations are designed in accordance with ergonomic standards. The office concept for Hypoport's premises in Berlin won the German Design Award in 2022. Hypoport also fosters its employees' sense of identification with the Company by offering appealing sporting activities and a wealth of non-salary benefits, including the organisation of childcare, offices where employees can take their children to work, company events and subsidised rail travel ('Deutschland-Ticket'), as well as everyday benefits such as an on-site parcel locker. Hypoport's efforts in this area are paying off, not only through what we consider to be a high number of applications from talented, well-qualified candidates, but also in the form of awards that Hypoport Group has received as an employer. In 2024, Hypoport won the Leading Employer Award, which puts it in the top 1 per cent of the 160,000 companies analysed. For further information on the award and the methodology, see <https://www.leading-employers.org/>. The above-average satisfaction of our employees is also evident on employer rating platforms such as Kununu, where satisfaction with Hypoport is 14% higher than the average figure for the banking sector.

The Hypoport Group takes various steps to support individual employees' personal and professional development. The customary staff appraisal interviews, for example, provide a setting in which managers and their staff can hold structured discussions about aspirations, development opportunities and performance incentives. For subsidiaries, depending on their organisational form, additional individual or team targets that fit with the wider corporate strategy are agreed and then discussed and evaluated on a quarterly basis.

Regular feedback meetings are held with new employees during their probationary period. If necessary, a moderated support meeting is arranged in which the employee in question is given an assessment of their performance to date, their integration into the team and an indication of whether they will pass the probationary period. And regardless of how they are doing, all new employees have a scheduled meeting with representatives of the People & Culture department within 100 calendar days. The focus here is on the employees' experiences and how they feel about the work assigned to them, the management style of their superior and the team integration. This ensures collaborative working and a continuous process of learning from one another.

We regularly (typically once a year) carry out a survey of all employees throughout the Hypoport Group based on the Hypoport values. In the employee survey conducted in 2024, around 73 per cent of the participants answered 'satisfied' or 'very satisfied' in response to the question 'How satisfied are you overall with your company as an employer?'. This strong approval rating shows that our organisational and professional development initiatives are effective. Nonetheless, the current figure is below the target of 75 per cent or above, which has been adjusted in line with the new data collection method. Additional, more detailed surveys are carried out every quarter at subsidiary-level ('pulse checks'). All this ensures that we maintain an ongoing dialogue with our staff.

Hypoport employees share in the Company's success (when the annual revenue and EBIT guidance is achieved) and Hypoport rewards long service in the form of a bonus-based share scheme for which employees are eligible after just five years. Hypoport also offers its employees a company pension plan and occupational disability insurance, as well as occupational health insurance in some subsidiaries.

In addition to creating positive working conditions for existing employees, high priority is given within the Hypoport Group to the recruitment and integration of new talent. The Company engages with suitable candidates both online, via popular job portals or via video chat, for example, and offline at events such as careers fairs. And as well as advertising vacancies in the traditional way, we are increasingly targeting talented individuals directly through professional networks. In the competition for the top talent in the market, Hypoport puts a great deal of emphasis on the candidate experience in the application process. Transparency, respect and engaging in a dialogue as equals play a key role here. We regularly collate feedback on the candidate experience, which was most recently rated 4.75 out of a possible 5.00 points. In 2024, more than 87 per cent of job offers were accepted.

Working conditions

The Hypoport Group avoids fixed term contracts and the use of contract labour from temporary employment agencies as far as possible. All technology platforms are programmed, maintained and continuously improved by inhouse staff. Only in exceptional cases when higher staffing levels are required does the Company call on external programmers. Hypoport has a long-established network of freelance developers that it can call on in these circumstances. As a result, fixed-term contracts are rare at Hypoport and account for an absolute minimum of employment contracts. They may be used for example to provide cover during periods of parental leave or when staff are on long-term sick leave. As at 31 December 2024, 2,120 (96 per cent) of the 2,219 employment contracts in Germany were permanent.

Hypoport is in favour of freedom of association. It has therefore set up the HEB (Hypoport Employee Board) at holding company level. This is a central representative body for all employees across the Group.

There have been no large-scale redundancies (more than 1,000 people) within the Hypoport Group in recent years. The number of employees has almost quadrupled in the last ten years, from 561 (31 December 2014) to 2,219 (31 December 2024). For more details, please refer to the annual reports.

Despite the negative economic impact of the coronavirus crisis since the beginning of 2020 and the massive slump in the volume of mortgage finance in 2022, new jobs have been created at Hypoport since the end of 2019 (total number of employees on 31 December 2019: 1,941).

Hypoport looks after the mental wellbeing of its staff and has been working with the highly respected Fürstenberg Institute for a number of years as part of its mental health management programme. The Institute uses modern, networked, occupational health management measures, employee and management counselling and CPD and coaching courses to help people in companies to look after their mental health and stay satisfied and productive. Support can be provided at one of nine centres across Germany or via online coaching, whichever the employee prefers. The Fürstenberg Institute's quality management system has been certified in accordance with ISO 9001 by the product standards regulator TÜV Süd. It is complemented by annual health days at many Hypoport locations in Germany and a variety of talks during Mental Health Days. Hypoport also takes responsibility for the physical and mental wellbeing of its employees by offering occupational health insurance, which covers additional healthcare costs and gives access to high-quality medical treatment.

Protecting customers and business partners from loss or theft of data

The Hypoport Group is based in the European Union and has its headquarters in Germany. All processing of personal data is therefore subject to the General Data Protection Regulation (GDPR).

Every Hypoport company that processes data also has an appointed data protection officer supported by data protection coordinators. Larger Hypoport companies also have a data protection team. An information security officer has been appointed for Hypoport SE, and a number of other entities also have their own information security officer. Hypoport Group entities endeavour to follow strict IT security and data protection standards.

Hypoport SE commits to the following principles:

- To follow applicable statutory requirements and standards.
- To implement processes and follow them in the event of data protection violations and other incidents.
- To require its service providers to comply with applicable information security and data protection standards.
- To communicate clearly and provide information about changes to relevant processes, procedures and guidelines.

These principles are enshrined in the Hypoport Group through defined minimum requirements in rules of procedures that every Hypoport entity must follow.

The following guidelines and standards have been defined:

- Data privacy and information security policy
- IT user policy
- Storage location policy
- Mobile IT systems and working from home policy
- Private IT systems policy (BYOD)
- Mobile data storage media policy
- Suppliers and service providers IT policy
- Security incidents IT policy
- Access management policy
- Network security policy
- Administrator policy
- Encryption policy
- Policy on the use of generative AI applications

In 2024, two Group companies became ISO 27001 certified, the international standard for information security management systems. Other companies in the Hypoport Group are also aiming to be ready for ISO 27001 certification.

Relevant IT systems are centrally managed and monitored. Regular system back-ups are also carried out to prevent data loss and system malfunctions as far as possible. An IT audit is conducted every year. All employees receive regular training on information security and data protection. The data protection notices concerning the collection, use, sharing and retention of data, including the right to object when using our website, are publicly available at <https://www.hypoport.com/privacy-policy/>.

Respect for human rights

Hypoport recognises its responsibility to uphold human rights in its own operations and in its supply chains, in accordance with relevant statutory provisions. The Hypoport Group does not manufacture goods. It relies on a homogeneous supplier structure for the provision of its services, consisting primarily of suppliers based in Germany and the EU. Consequently, there is a low abstract risk of human rights abuses in the Company's own operations and at its direct suppliers.

Nevertheless, Hypoport has taken appropriate preventive action to guard against risks and, where necessary, take remedial action. Among other things, the human rights strategy and its associated requirements have been documented in the Hypoport Code of Conduct and Hypoport SE's declaration of principles regarding the Supply Chain Due Diligence Act. Our expectations towards suppliers when it comes to environmental, social and governance matters have also been defined in our Supplier Code of Conduct.

As in past years, Hypoport was not aware of any human rights abuses at Hypoport Group companies or direct suppliers in 2024 that would have required remedial action to be taken. Hypoport SE's declaration of principles regarding the Supply Chain Due Diligence Act is publicly available on the Hypoport SE website.

Corporate Governance

Responsible corporate governance is an integral element of the Hypoport Group's corporate strategy. The Management Board and Supervisory Board of Hypoport SE rely on clear structures and principles to ensure compliance with statutory requirements, minimise risks and uphold the interests of all stakeholders. The Hypoport Group adheres to the following governance guidelines:

- Hypoport bases its decisions and processes on transparent communication and clear lines of reporting. The pertinent statutory legislation and the recommendations and suggestions of the German Corporate Governance Code are an integral part of our corporate governance.
- Hypoport has established a comprehensive risk management system (RMS) and a compliance management system (CMS). Regular reviews of, and improvements to, these systems safeguard the Company's high standards with regard to its legal and ethical responsibilities.
- Hypoport's Supervisory Board, which consists of highly qualified, independent members, ensures that the Company's corporate governance is properly monitored. The members have sector-specific expertise and extensive knowledge and experience in the areas of risk management, financial management, accounting and auditing, including sustainability reporting.
- Hypoport has an anonymised whistleblowing system through which actual and potential breaches of duty and risks can be identified at an early stage. It provides employees and external parties with a secure and user-friendly platform for reporting violations.
- Hypoport supports the protection of shareholder rights and uses digital solutions to ensure broad participation and open communication with investors and other stakeholders.
- Hypoport complies with statutory provisions and mostly follows the recommendations and suggestions of the German Corporate Governance Code when developing its remuneration systems for the Management Board and the Supervisory Board. The remuneration for the Management Board comprises a fixed base salary, and short-term and long-term variable remuneration elements and additional benefits. Overall, the remuneration of the Management Board is based on its members' duties and performance. The assessment also takes account of the economic position, success and long-term performance of Hypoport and of whether the remuneration is customary. Members of the Supervisory Board receive fixed remuneration in order to ensure independence in their supervisory and advisory functions. The remuneration systems for the Management Board and the Supervisory Board are publicly available on the Hypoport SE website at <https://www.hypoport.de/investor-relations/corporate-governance/>.

The role of the administrative, supervisory and management bodies (ESRS 2)

Ronald Slabke (CEO) is the member of the Management Board of Hypoport SE with responsibility for employee matters, environmental matters and the prevention of corruption. Social responsibility and human rights are the responsibility of the Management Board as a whole. The key performance indicators for the non-financial aspects of managing the Company are reviewed at practical intervals and evaluated by the Management Board of Hypoport SE. This enables any variances to be identified at an early stage so that appropriate corrective action can be taken. The members of the Supervisory Board are freely elected – taking their term of appointment into account – by the shareholders at the Annual Shareholders' Meeting. All members of the Supervisory Board have excellent knowledge in the area of risk management. They have acquired this expertise in their previous roles as supervisory board members or as management board members or CEOs with responsibility for areas such as internal audit, compliance and market risk.

In September 2021, the Supervisory Board formed an audit committee from among its members and appointed the Supervisory Board member Martin Krebs as its chairman. Through their degrees in economics and their previous roles as supervisory board members, finance directors or chief executive officers in various banks, Martin Krebs and Dieter Pfeiffenberger have the required expertise in accountancy and auditing, including sustainability reporting. All three members of the Supervisory Board also have the necessary experience in the sector of relevance for Hypoport because of their previous roles.

The Supervisory Board has no committees other than the audit committee. All duties relating to nominations, remuneration and sustainability are the responsibility of the whole Supervisory Board.

All members of the Supervisory Board are considered independent under the definition provided in clauses C.6 to C.12 of the German Corporate Governance Code.

Material impacts, risks and opportunities

Protection of whistleblowers

Inadequate protection of whistleblowers can have a significant negative impact on transparency and on stakeholders' willingness to raise concerns within the Hypoport Group and its supply chains. Potential irregularities could go unaddressed if no reliable system for protecting whistleblowers is in place, which could result in long-term risks such as reputational damage, legal action and financial losses. At the same time, effective protection for whistleblowers offers the opportunity to improve internal processes, strengthen stakeholder trust and promote an environment of openness and responsibility.

Corporate governance and corporate culture

Hypoport's corporate governance can actively encourage sustainable behaviour by providing shared platforms. Increased comparability of options allows customers to make a more conscious decision in favour of sustainable alternatives, such as investments in green construction projects. This has a positive influence on customer behaviour and supports the sector's shift towards sustainability. But there are regulatory risks, primarily in the context of property markets. Changes in government policy, such as the slashing of subsidies for sustainable housing projects, may negatively impact on demand for finance in this area and therefore on Hypoport's business activities. These risks could lead to a fall in brokerage and support activities, which could weaken the Hypoport Group's position in the market.

Actions

Protection of whistleblowers

The options available to whistleblowers are described and made public in the Code of Conduct (see above) and in the written procedure for the whistleblowing system. Hypoport takes reports of potential violations of laws, Hypoport policies or the Code of Conduct very seriously and calls upon all employees, business partners, customers and other third parties to report such violations immediately via the stated channels (reports can also be submitted anonymously). The intuitive Hintbox digital whistleblowing system provided by lawcode GmbH is one of these channels. It is an off-premise SaaS solution. The software provider lawcode GmbH is an ISO 27001 certified German company.

Encouraging sustainable customer behaviour

The companies of the Hypoport Group make a valuable contribution to society through their advisory services and technology platforms, and actively encourage sustainable customer behaviour. By digitalising the credit, housing and insurance sectors, the Hypoport Group is creating greater transparency and efficiency in these markets, which facilitates decision-making in favour of sustainability. Every year, the companies in the Real Estate & Mortgage Platforms segments enable hundreds of thousands of people to realise their dream of home ownership. This helps to tackle societal problems such as old-age poverty and the low home ownership rates in Germany. It also creates long-term financial security, which is a key aspect of sustainable actions.

The financing of energy-efficient construction and renovation projects represents a further contribution to sustainability. Around 10 per cent of the volume of mortgage finance brokered is for private new-build activities, while follow-up financing, which supports rent-free living in old age and helps to reduce old-age poverty, accounts for 15 per cent. Hypoport actively contributes to the reduction of carbon emissions by financing energy-efficiency measures such as the installation of thermal insulation in buildings. These measures enable customers to invest in the sustainability of their properties and thus take environmental and social responsibility.

Furthermore, business models in the social housing sector create opportunities to finance new builds that provide affordable housing for broad sections of the population. This represents a major contribution to social sustainability.

Hypoport also encourages sustainable customer behaviour in the corporate finance business. By providing scope for financing, Hypoport helps small and medium-sized enterprises to realise energy savings and finance renewable energy projects around the world. Hypoport thus encourages its customers to invest in projects that actively contribute to climate change mitigation and enables them to become part of the solution to global challenges like climate change. This responsibility towards customers is reflected in our transparent and sustainable approach to communications and complaints handling. The Hypoport Group companies, which primarily operate a B2B business model, ensure that communication with customers and users of their platforms is direct and solution-oriented. Complaints about products or services are clarified promptly on a bilateral basis in order to increase trust and customer satisfaction. The B2C business model of the Dr. Klein Private Clients brand also features transparent complaints management. At www.drklein.de/kundenbewertungen.html, all customers can rate the advice they have received and make suggestions. An average rating of 4.9 out of 5.0 points and a recommendation rate of over 98 per cent are proof that customers appreciate our transparent and customer-centric approach.

Managing regulatory risks related to the development of the property markets

Changes to the regulatory environment could significantly dampen demand for property finance due to their impact on the banks, financial product distributors and estate agents involved. Equally, an end to government subsidies that support more sustainable housing could influence the Hypoport Group's brokerage activities and advice on property financing. For example, an increase in the tax on property transactions for energy-intensive buildings or a general ban on the marketing of properties with an energy rating of F to H could significantly weaken demand for property finance. Equally, cuts to – or discontinuation of – government subsidies that support more sustainable housing (KfW programmes) could negatively impact on the Hypoport Group's brokerage activities.

A significant deterioration in subsidies could lead to losses in revenue and earnings that are impossible to offset. As the extent of the damage is estimated to be considerable and the likelihood of occurrence is high, the overall assessment is that the risk is high.

Shareholder rights

The shareholders of Hypoport SE have the option of exercising their voting rights at the Annual Shareholders' Meeting in person, via a Hypoport SE proxy or a power of attorney, or through absentee voting.

Anti-corruption and anti-bribery

The Hypoport Group is committed to the principles of fair competition and the free market economy. We therefore take a firm stance against corruption. We do business solely on the basis of merit and in accordance with the principle of free, unhindered competition. The Hypoport Group does not tolerate any form of corruption or other criminal activity such as extortion, fraud, the giving or acceptance of bribes, money laundering or the granting or acceptance of advantages (collectively referred to as 'corruption'). The concept and measures that we use to combat corruption are aimed at preventing any active or passive corruption whatsoever. The key performance indicator used here is the number of violations of the rules. There were no known violations in 2023 or 2024.

To enforce this, the Management Board of Hypoport SE has implemented a compliance management system (CMS) made up of the following components: risk assessment, compliance organisation, compliance programme, information & communication and monitoring & improvement. The Benefits & Gifts Policy, for example, forms part of the compliance programme. It lays down binding rules for our conduct towards our customers, partners and other third parties with regard to gifts and hospitality. Under this policy, small (promotional) gifts such as pens or invitations to business meals are regarded as part of everyday business and even as a form of politeness. All Hypoport Group employees must report gifts and hospitality with a value of €50 or more, which are received or given in connection with their activities at Hypoport, in a register on the intranet straight away. The register can be viewed by the employees of the relevant Hypoport company, and any missing or incorrect entries can be reported. In terms of monitoring and improvement, ongoing internal audit activities are another control mechanism and are also used to evaluate and optimise processes for combating corruption.

The CMS is the responsibility of the Management Board as a whole; the CEO, Ronald Slabke, is in charge of its operational implementation. The fundamental compliance principles are published as the Hypoport Group Code of Conduct on the Hypoport SE website.

As no passive or active cases of corruption have ever had to be investigated at Hypoport, we assume that the steps we have taken are effective. Our aim for the future is to continue to prevent any breaches of the rules. All compliance policies are reviewed annually or at more frequent intervals if required.

Other than the tax it is legally required to pay in the countries in which it has registered offices, the Hypoport Group does not make any payments to governments or governing parties. For details of tax payments, please see the 'Income taxes and deferred taxes' section in the notes to the consolidated financial statements in the annual report.

Hypoport SE

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