



ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

Why ESG Matters to European
DataWarehouse



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European DataWarehouse's social mission since its foundation in 2012 has been to increase transparency in the market and standardise asset-backed securities (ABS) information accepted as collateral in Eurosystem credit operations. In short, converting data into market trust. Created in response to the 2008 financial crisis to help restore confidence in the securitisations market, we have contributed to economic growth and social value creation by supporting the development of capital markets and promoting the circulation of safe credit. At the core of these efforts is the help we provide to investors and third-party assessment providers with their due diligence through access to standardised data across all asset classes. We sincerely believe that this social mission to create market trust can only be achieved in the context of a rich

Our Social Mission: Converting Data into Market Trust

natural, social and ethical environment. Such an environment is the very foundation of trust in society and its institutions, which in turn is the basis for economic and business development and the pursuit of happiness by individuals and their communities. We are strengthening our corporate governance structures based on a recognition that the protection of the global environment and the promotion of healthy social relationships are essential for the maintenance and development of both the economy and society.

Environmental, Social, and Corporate Governance (ESG) principles have moved into the investment mainstream. They are the three key criteria that retail and institutional investors increasingly apply to measure the sustainability and societal impact of an



investment in a company or business. European DataWarehouse is making a concerted effort to align with these principles through a variety of initiatives.

Through our ESG efforts, we strive to provide first-rate customer service while considering positive social and environmental outcomes and good governance practices.

Our values speak to our commitment to advancing initiatives across all ESG topics:

ENVIRONMENT

Our goal is to be carbon neutral across our entire business by adapting, innovating and investing to combat climate change, through green practices, and through our work with the Energy Efficiency Data Protocol and Portal (EeDaPP), to use our planet's finite resources efficiently.

SOCIAL

Our relationships with employees, partners, suppliers and the wider community really matter to us. People come first. So we work every day to support a healthy lifestyle, to create an inclusive and diverse work environment, and to respect the fundamental human rights of everyone whose lives we touch.

GOVERNANCE

Our corporate governance promotes principled actions, informed and effective decision-making, and appropriate monitoring of compliance and performance.



ENVIRONMENTAL SUSTAINABILITY

Climate change and resource scarcity impact all of us today, and even more importantly, the world we leave to future generations. Our

environmental policies reflect our desire as well as our commitment to create a more sustainable economy.

First, through our own internal practices. For example:

WE PLANT TREES

We plant new trees for every deal we create on our platform. When we first announced this policy, we also planted trees for all of the active ABS deals that had already been uploaded.

GREEN COMMUTING

We actively encourage green commuting practices through subsidised e-bikes and public transportation for employees.

GREEN PRACTICES

We incorporate green practices in our day-to-day activities, such as minimising office waste.

AVOID UNNECESSARY TRAVEL

We avoid unnecessary travel through the use of remote communications technology and encourage the use of trains rather than airplanes in cases where travel is unavoidable.



Second, our teams work to incorporate environmental aspects into our overall goals and projects. For example, we are a partner of the EeDaPP, an initiative to enable the recording of data relating to energy-efficient mortgage assets.

This provides sustainability benefits to all participants:

- Borrowers get reduced energy bills and lower mortgage rates.
- Issuers get financial and reputational benefits.
- Investors get a more diversified portfolio with green added value.
- Small businesses get opportunities to retrofit building stock.
- Governments are helped to achieve sustainability and compliance targets.
- Society sees a reduction in greenhouse gas emissions, wealth conservation, a reduction in energy consumption, and cleaner air.

European DataWarehouse is hosting the first green residential mortgage-backed security (RMBS) in Portugal, certified by Sustainalytics. We are also engaged on projects in Italy as part of the Energy Efficient Mortgages Initiative (EEMI), a market-led initiative coordinated by



RESTORING DAMAGED FORESTS

European DataWarehouse donated funds for the restoration of a forest in the Dolomites in 2020 as part of its commitment to social and environmental causes. The donation funded the restoration of a forest and popular hiking paths which were destroyed by storm Vaia.

the European Mortgage Federation – European Covered Bond Council (EMF/ECBC) and funded via the European Commission's Horizon 2020 Programme.

SOCIAL RESPONSIBILITY



A company's social practices reflect how it approaches its relationships with employees, partners, suppliers and the greater community.

We fully support diversity and gender equality. This is reflected by the diversity of our team: 17 nationalities and 15 languages are represented at our international office, and the team includes many women in management roles. We are committed to gender equality in remuneration, which is monitored by our Supervisory Board.

In a recent company survey, 100% of European DataWarehouse employees said they are "treated fairly regardless of age, race and sexual orientation".

Our social policies and healthcare practices support families and children, and foster healthy working environments and lifestyles. European DataWarehouse encourages emp-

loyees to achieve a healthy work-life balance and provides them with measures to promote personal health, for example through our subsidised e-bike scheme. Our objective is to create a work environment that is psychologically and emotionally healthy.

Employees enjoy above-market average rates of pay and a variety of benefits, 30 days' paid leave plus German public holidays. Our management style is open and participatory.

Throughout the Covid-19 pandemic, European DataWarehouse supported its customers and partners with a series of webinars and virtual workshops, and provided advice on data reporting on loans impacted by the coronavirus crisis.



ACCOUNTABILITY THROUGH GOVERNANCE

Efficient management with effective controls

European DataWarehouse believes that high standards of corporate governance are critical to the achievement of its business objectives and, in turn, the creation and protection of shareholders' interests, as well as those of its customers, employees and the general public, through effective oversight, risk management and transparency.

Operating as a market infrastructure and designated as a securitization data provider by Eurosystem, the monetary authority of the Eurozone, European DataWarehouse aims to increase transparency and restore confidence in the ABS market. The company is governed by its 17 shareholders, who are a mix of market participants including large corporations, professional organisations, and banks.

The shareholders appoint a Supervisory Board and an Audit Committee, hired from an external company to perform an annual financial audit.

The Supervisory Board consists of shareholder members together with governors and observers from the European Central Bank and national central banks. It is responsible for strategy and monitoring European DataWarehouse's operations. In addition, European DataWarehouse has a strict, transparent and non-discriminatory pricing model set by a Pricing Committee, which consists of eight representatives of the ABS industry.

The Supervisory Board oversees the company's remuneration and nomination policies and its sustainability and social responsibility policies, as well as compliance issues such as adherence to the EU General Data Protection Regulation (GDPR).

Our shareholders deem this corporate governance system to be the most suitable to combine efficient management with effective controls while enhancing the company's value.

OUR SHAREHOLDERS

Banco Bilbao Vizcaya Argentaria S.A. · Banco Santander S.A. · BNP Paribas S.A.
CaixaBank S.A. · Crédit Agricole S.A. · Crédit Foncier de France · Creditreform Rating AG
DBRS Ratings Ltd. · Dutch Securitisation Association · Instituto de Crédito Oficial
Intesa Sanpaolo S.p.A. · Moody's Group Cyprus Ltd. · 12. MMS Germany Holdings GmbH
(formerly Sapient Global Market) · Société Générale S.A. · True Sale International GmbH
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