

# CECONOMY

Human Rights Declaration  
CECONOMY AG

## **The commitment to respect human rights**

CECONOMY and its subsidiaries are committed to respecting fundamental and universally applicable human rights and to supporting their protection and observance. CECONOMY wants to make a positive contribution to the respect of human rights and the well-being of people. To this end, the aim is to create a working environment that guarantees humane treatment and is characterized by respectful interaction.

The following globally recognized standards and agreements are important foundations and frameworks for action for the corporate culture and activities:

- The United Nations Universal Declaration of Human Rights,
- the United Nations Guiding Principles on Business and Human Rights,
- the OECD Guidelines for Multinational Enterprises, and
- the conventions and recommendations of the International Labor Organization (ILO)
- the ten principles of the United Nations Global Compact

In addition, CECONOMY aims to promote the achievement of the United Nations Sustainable Development Goals through its actions. Since 2018, CECONOMY has been a signatory of the 'Charta der Vielfalt' and is committed to diversity and equality as an employer.

This policy statement is to be understood as a supplement to EU regulations and, where applicable, national laws. In particular, the following conventions are recognized:

- Minamata Convention on Mercury
- Stockholm Convention on Persistent Organic Pollutants
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

## **Objectives and expectations of this policy statement**

This policy statement defines the strategy and aspiration towards human rights for CECONOMY itself and its supply chain and provides an overview of how human rights and environmental due diligence obligations are met. CECONOMY's managers are expected to exemplify and promote compliance with human rights.

CECONOMY aims to contribute to the sustainability of the environment, society and the company through its actions. In doing so, CECONOMY takes into account the special responsibility it has as a trading company towards its customers, employees, suppliers, business partners and the people involved in the manufacture of its products. These values, expectations and obligations are set out in the company-wide [Code of Conduct](#) and the [Supplier Code of Conduct](#).

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## **Our human rights due diligence process**

At CECONOMY, labor and human rights are firmly embedded in our processes. A management system for the implementation of due diligence has been established and is being continuously developed. The focus is on CECONOMY's own employees as well as suppliers.

Through sustainability and risk management, CECONOMY strives to proactively record, analyze and remedy actual and potential negative impacts on human rights along the supply chain. In doing so, it takes a risk-based approach and assesses its suppliers according to their inherent risk in terms of human rights and environmental aspects. In doing so, it seeks to draw on industry-wide standards, more efficiently and consistently request sustainability information from suppliers, and thus monitor respect for human and labor rights in the supply chain. Beyond its business operations, CECONOMY leverages its influence and supports its business partners in creating the necessary structures and processes to respect human rights in the supply chain.

## *Governance*

The establishment of the management system is part of the business processes and is supported by the management. For example, a human rights officer has been appointed as an important central contact person. In addition, the human rights officer monitors risk management and the human rights due diligence process and regularly informs the management.

## *Analysis of human rights and environmental risks*

To ensure that risk management is set up appropriately and effectively, CECONOMY regularly conducts a comprehensive and systematic risk analysis. This involves identifying rights-holders, i.e., those individuals whose rights are potentially affected by CECONOMY's business activities. This includes the employees of CECONOMY group companies, suppliers, the local population around the supply chain as well as customers. CECONOMY thus identifies, evaluates and prioritizes human rights risks. As part of the annual risk analysis for the financial year 2022/2023, no human rights risks were identified within the company's own business area. With regard to the environmental risks mentioned in the German Supply Chain Due Diligence Law, potential for improvement was identified in terms of end-to-end processes to minimize the risks associated with hazardous substances.

With regard to employees in the supply chain, priority risks are identified in the areas of child labor, forced and slave labor, health and occupational safety, adequate wages and the hiring or use of security forces. Security forces here also pose a risk to customers and the local population around the supply chain. Environmental risks in the sense of the Minamata and Stockholm Conventions have been identified for manufacturers of electronic goods. With regard to the local population that could be affected by the supply chain, i.e. suppliers of direct suppliers, land rights, harmful changes to the environment, and environmental risks in the sense of the Minamata and Stockholm Conventions are identified.

In the risk analysis, CECONOMY identifies and assesses the risks in the supply chain in addition to the internal business area. As a result of the risk analysis for the financial year 2022/2023, it was identified that the above-mentioned risks are particularly relevant for our suppliers in the retail, automotive, transportation and logistics sectors as well as for the suppliers of goods. To mitigate potential and existing risks, we work closely with our partners to manage these risks proactively and appropriately. This also includes clear and binding contractual safeguards on the part of our suppliers.

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## *Preventive and remedial measures*

CECONOMY implements a variety of measures to prevent and, where possible, end or minimize adverse impacts on human rights and on its supply chains worldwide. Furthermore, CECONOMY subjects its human rights due diligence process to regular effectiveness reviews and continues to develop it.

As a member of the Responsible Business Alliance (RBA), CECONOMY is committed to responsible industry-wide standards, joining leading companies in the electronics industry. For CECONOMY, the commitment to respect and observe human rights should be the basis for sustainable cooperation. The expectations of suppliers are set out in CECONOMY's [Supplier Code of Conduct](#). This is based on the RBA Code of Conduct and is intended to ensure that CECONOMY's suppliers comply with the high standards of human and environmental protection and ethical principles and also pass them on in their supply chain. This code is contractually anchored in a sustainability clause of the supplier contracts.

CECONOMY is continuously working on the further development of appropriate procurement strategies and purchasing practices. Compliance with human rights is a minimum requirement in the selection of suppliers and is bindingly anchored in the contracts with business partners and suppliers, indicating that in the event of a violation, a concept with appropriate measures to end or minimize the violation(s), including a timetable regarding remedial measures, must be drawn up. The goal is to achieve the improvements together. If the concept of measures and the remedial measures do not lead to the termination and / or minimization of these violations, it may lead to the termination of the respective business relationship.

Employees of CECONOMY and its group companies receive sustainability training on human rights as a mandatory part of company-wide training and are regularly sensitized.

In the companies in which CECONOMY itself acts as a manufacturer with its own brands, membership of amfori BSCI (organization for the observance of social standards in the supply chain) ensures that human rights are protected in the supply chain. As a manufacturer, CECONOMY has committed to the amfori BSCI Code of Conduct for this purpose. This Code of Conduct is a mandatory component in contracts with suppliers of private label products. All existing and new suppliers of private label products are bound to the sustainability criteria by this Code of Conduct.

In addition to contractual obligations, the operational implementation of the amfori BSCI social standards system is an essential sub-process of the purchasing process. As part of the amfori BSCI membership, regular audits are carried out at the production sites to check compliance with the applicable standards and report violations immediately. If violations are reported, appropriate improvement measures are agreed with the suppliers and the implementation of this is followed up. This ensures compliance with human rights.

## *Complaints Procedure*

Any suspicion of a violation of the generally applicable human rights can be reported anonymously via the [whistleblower system](#), both by (company) employees and by third parties. The whistleblower system is set up as part of the group-wide CECONOMY Compliance System and offers the possibility, if desired anonymously, to submit a report on the topics of discrimination, unfair working conditions, violations of human rights and occupational health and safety regulations, as well as other topics. All grievances are immediately reviewed and assessed and will result in further action if necessary. Each

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incident is assigned to responsible departments in accordance with the whistleblowing policy so that specific and appropriate actions and proposed solutions are created and followed up. Further information on CECONOMY's complaints procedure can be found in our [Rules of Procedure for the Complaints Procedure](#).

## *Documentation, reporting and further development*

CECONOMY reports regularly and transparently on human rights concerns as part of its annual sustainability reporting. CECONOMY views the topic of human rights and the performance of annual or ad-hoc risk analyses as an ongoing process. This process is regularly reviewed for its effectiveness. This policy statement is kept up to date accordingly. This includes disclosure of the results of our risk assessment and a detailed description of the measures taken.

## *Commitment and compliance*

The Management Board of CECONOMY AG is responsible for the implementation of and compliance with this policy statement.

Ingolstadt, October 2023

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CEO

CECONOMY AG

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