

The management board's commitment

Sustainability has become a key criterion in society and, in turn, for companies' economic success. We are seeing greater awareness in society and thus among our customers, employees, partners and shareholders. We believe it is our duty to play our part, even if this is not always easy for companies. Nevertheless, we firmly believe that this will also have a long-term positive impact on our company's economic success. The challenge? Climate change, scarcity of resources and social inequality, which we too aim to mitigate using the positive influence we exert in our environment, while at the same time reducing the negative effects of our business activities.

This is why sustainability is an essential component of our corporate strategy. We continued to develop our sustainability strategy on a holistic basis last year and consistently put these changes into place. We want to increase awareness of sustainability and make our own activities even more sustainable – by amending our internal processes, reducing our own emissions or shaping working conditions.

In addition, we want to help our customers live a more sustainable lifestyle and have set ourselves the following targets:

"We offer our customers the most sustainable range of consumer electronics products in Europe": Maximum circular economy thanks to energy-efficient, sustainably produced and packaged projects as well as products and services that facilitate a sustainable lifestyle.

"We will be pioneers of the circular economy and create a new sustainability promise": "More life per cycle" – a promise where we increase the products' useful life for our customers and make them available for secondary and tertiary use.

"We take social responsibility and offer a climate-neutral shopping experience": Setting ambitious climate targets and assuming social responsibility throughout the supply chain and for our colleagues.

In this sustainability report, we give an account of the implementation status of our sustainability strategy. We report on our action areas, successes and progress. We are aware that there is still a lot to do and, at the same time, are delighted by the progress we have made in the last financial year.

The Management Board of CECONOMY AG

Dr. Karsten Wildberger

Florian Wieser

About this report



We prepared a sustainability report for the first time for financial year 2021/22. It contains all material information about CECONOMY AG and its largest investment, the MediaMarktSaturn Retail Group. The information relates to environmental, employee and social issues, respect for human rights and efforts to combat corruption and bribery. Unless indicated otherwise, for reasons of materiality we always report on the MediaMarktSaturn Retail Group. This is because MediaMarktSaturn accounts for the largest share within CECONOMY measured by sales, the number of employees and its impact on the environment and society.

Our progress at a glance

Climate

CO₂ emissions generated by own business operations*

78,5%

Reduction since 2015

*Scope 1 & 2 emissions combined

Greenhouse gas emissions (in thousands of tonnes of CO₂e)

100,2

79,6
76,0
69,8

2018/19 2019/20 2020/21 2021/22

Energy consumption

1206

We have lowered our total energy consumption by 12 per cent since 2018/19.



Resources

Sustainable products

3.207

We offer 158.8 per cent more sustainable products than in 2020/21, in over 25 categories.

Repaired appliances and devices

3,2 Mio.

We repaired almost 3.2 million units – 550,000 of them at the SmartBars in our stores.

Social topics

Manufacturers

48,8%

Manufacturers that have been rated by an external agency on their human rights records make up 48.8 per cent of our sales.

Diversity

130 nations

People from 130 different nations are employed throughout the Group.

Own brands

98,8%

98.8 per cent of our suppliers have undergone successful BSCI audits.

Women in management positions

220/6

In financial year 2020/21, the share was around 20 per cent.

Outstanding sustainability

We carry out our "brand health tracking" several times a year. One cause for celebration: the perception of MediaMarkt as a brand that offers its customers a sustainable lifestyle improved in financial year 2021/22. In Poland, our customers awarded us the Laurel 2022 Award in the category "Responsible company in the sector nationwide stationary and online stores" as part of golden customer voting.



The Financial Times and Statista have included CECONOMY on the list of Europe's Climate Leaders 2022. This is a list of major European companies that have successfully reduced their emissions in relation to sales. CECONOMY clearly stood out.

The renowned print and online magazine CFI.co gave us an award in the "Best ESG Retailer Germany 2022" category. This award is presented to individuals and organizations that play a leading role in their economic environments and create genuine added value with their actions. Here is the reasoning for the jury of experts' decision:

"CECONOMY is using its leading market position to accelerate circular and sustainable economies, and has updated its policies and operations accordingly. ESG commitments impact every aspect of the business, from procurement and logistics to packaging. CECONOMY is striving to help lower the carbon footprint of company and consumer alike."





Governance

Corporate Governance

Materiality analysis

Compliance, data protection and information security

About CECONOMY AG

Our sustainability strategy

Networks and initiatives

Environment

Climate and resource efficiency

Climate protection and energy
Sustainable logistics
Waste management and resource efficiency
Sustainable products
Resource-saving services

Society

Social responsibility

Employee development and talent management
Fair and responsible working conditions
Diversity, inclusion and equal opportunities
Sustainable supply chains
Social commitment





Materiality analysis: What has an effect and how?

We conducted a materiality analysis for our sustainability report. We identified issues that have a significant impact on MediaMarktSaturn's business activities, as well as those that impact our own business.

To identify these material topics, we preselected issues in our sustainability department. This pre-selection is based on an analysis of regulatory frameworks, reporting standards, ESG ratings and external interests. These topics were then included in a long list covering 20 issues in the three action areas of environment, society and governance.

We assess the issues primarily using two key questions: how do they affect our own operating activities (outside-in perspective) – i.e. our business performance, results and position? What effect does our business model have on the environment and society (inside-out perspective)? In addition, a third key dimension for determining the material topics is the perspective of external stakeholders. To provide a clear overview of all issues, we conducted interviews with external stakeholders, including customers and investors. In addition, all departments involved at our company evaluated the long list topics in detail using a template. Based on the standards in the CSR Directive on non-financial reporting, the analysis identified a total of ten material topics that are then applied in our sustainability strategy.

Reported topics

Allocation of material issues
Compliance
Data protection and information security
Climate protection and energy
Waste management/resource efficiency
Sustainable logistics
Sustainable products and services
Employee development and talent management
Fair and responsible working conditions
Diversity, inclusion and equal opportunities
Sustainable supply chains

Risks in connection with nonfinancial aspects and material issues

All departments in question again carried out a risk identification in financial year 2021/22. This was headed by the Sustainability department. We did not identify any non-financial risks with a very high probability of occurrence and a serious negative impact.

Relevant GRI codes: 102-15



Compliance Management

Our compliance management is based on two pillars: far-sighted governance and Group-wide standards that extend right into the supply chain. These are applied in processes that we implement and exemplify with integrity and responsibility.

Our Code of Conduct is also built on these pillars. The Code sets out our common, company-wide values and provides clear guidance. The Code of Conduct not only highlights compliance with the law, but also our clear commitment to transparency, ethical conduct, fairness and respect for others. We have a zero tolerance policy towards violations. This means: We will prosecute and punish any abuse of one's own position for personal advantage, for the benefit of a third party or to the detriment of our company.

Our Management Board is responsible for and has a legal obligation to implement effective governance in the form of a governance, risk and compliance system. This encompasses several areas at once, starting from opportunity and risk management and moving on to the internal control system to compliance and internal audit. This presents two challenges: taking account of the different social and legal conditions at the country organizations and integrating the sometimes different corporate cultures and processes of the individual companies.

Responsibility for upholding compliance requirements lies with our Management Board and the management bodies of our Group companies. Our Vice President of Compliance & Privacy reports directly to the Management Board. As the Chief Compliance Officer, he also manages our Group's com-

pliance concerns. In consultation with CECONOMY, his team manages compliance centrally. It is supported here by the local compliance officers at our country organizations, and together with the Compliance Committee, they form a compliance management system. In turn, the Compliance Committee coordinates discussions of the issues within CECONOMY.

We have many communication and training measures in place to constantly develop our compliance management system. Our clear goal here is to establish a company-wide compliance culture in the long term. Our Management Board and the management bodies of individual Group companies support this culture with regular tone-from-the-top messaging and by taking a zero-tolerance approach to compliance violations.

The shared Code of Conduct not only defines our foundation of values, it also sets compliance standards for all of our employees. Specifically, this relates to:

- // human rights, labour and social standards
- // occupational health and safety
- // climate and environmental protection
- // legal compliance
- // conflicts of interest
- // gifts and favours
- // competition and antitrust law
- // antidiscrimination
- // company and personal data
- // inside information
- // reporting of violations



Our Code of Conduct sets out antitrust, data protection and anti-corruption guidelines in more detail. All new employees receive an up-to-date copy along with their employment contract, which they must acknowledge. Furthermore, there are other country-specific guidelines at the Group companies and country organizations that are tailored to the local situation and business practices. Through compulsory in-person and online training, we provide new employees with the basic information.

Establishing a lasting company-wide culture of compliance goes beyond tangible measures. Actively promoting our "speak up" culture also plays a key role, whereby every employee is encouraged to report violations of internal policies or the law without fear of recrimination. Our compliance officers and the Chief Compliance Officer also provide support here. Employees can also report violations – anonymously – through our whistleblowing system.

The compliance management system also includes a series of controls and assessments to guarantee compliance with standards and to identify risks early on. These measures include reviews and assessments by the Internal Control System and Corporate Risk Management that make it possible to record, assess and manage corporate risks at Group level. Separate risk assessments for the compliance, anti money laundering and supply chain areas will be incorporated into our Corporate Risk Management. The prevention measures based on the risk assessments help improve our internal procedures, processes and training. Our Internal Audit department also acts as another governance body. The team reviews the effectiveness of risk management. After all, better safe than sorry. We also apply this risk-based approach to business partner screening for our own-brand company and our Marketplace. Business partner screening covers the prevention of corruption and money laundering risks and checks of sanction lists.

Data protection

As an international consumer electronics retail company, we are pressing ahead with digitalization, using intelligent networking of different data and information for our own business model. However, this can also have effects on the rights and freedoms of individuals. Accordingly, it is of utmost importance to us that we handle the data of our customers, employees, business partners and investors responsibly. We understand that data misuse can occur in a digital environment and, of course, we understand the risks this entails. In light of this, we always keep this issue in mind and have adequate measures up our sleeve.

Millions of customers entrust their data to us in conjunction with our e-commerce activities. We also collect personal data from our employees, business partners and shareholders. The importance of a functioning data protection management system and close collaboration with other departments and regulatory authorities is particularly evident at times of crisis, such as during the cyber attacks in the financial year 2021/22.

It goes without saying that we comply with data protection principles and the relevant laws such as the EU General Data Protection Regulation (GDPR). This also includes the national and local data protection laws of the respective country organizations such as the German Telecommunications and Telemedia Data Protection Act and all data protection regulations resulting from other sources.

Responsibility for upholding data protection requirements lies with our Management Board and the management bodies of the individual Group companies. The Vice President of Compliance & Privacy, acting as the Data Protection Officer, manages our data protection concerns and reports directly to the Management Board. The Data Protection Officer is in charge of the data protection organization and coordinates the general data protection strategy and the data protection departments of our subsidiaries, as well as advising our subsidiaries and Deutsche Technikberatung on the implementation of internal and external data protection requirements. Data protection officers have been appointed at all of our Group companies. Relevant GRI codes: 103, 418 (management approach)



We ensure lawful processing of personal data

To implement the GDPR, we have introduced a wide range of strategic and organizational measures to correctly fulfil the regulation's requirements, taking into account the balance between business requirements and compliance challenges. We implement corresponding measures on accountability and data protection management, documentation, duties to provide information and the rights of data subjects on an ongoing basis.

In order to fulfil our statutory obligations, we have set up a privacy team that guarantees compliance with data protection standards throughout the entire Group and assists other departments with consulting services or training. The Data Privacy Office is the central point of contact for all national and international companies of MediaMarktSaturn. It supports the collection, processing and deletion of personal data on customers, partners and employees. In doing so, it makes an important contribution to compliance with internal and statutory requirements. In addition, the Data Privacy Office works together with other departments (especially IT Security) to provide advice on the necessary technical and organizational measures. Its aim is to ensure lawful processing of the personal data we collect.

We regularly evaluate our general Group data protection guideline. This guideline reflects the principles of data protection for all our companies and marks our commitment to a uniform level of data protection. Internal audits and regular dialogue with the competent data protection regulators play a key role in ensuring compliance with data protection laws. In addition, we also have policies and procedural instructions, both for multiple divisions and specific divisions, that structure and simplify our data processing processes. Data protection officers in the countries handle national considerations and individual decisions concerning the data subjects of stores or country organizations. All stakeholders can report data protection incidents or potential for improvement, for example using central email addresses. Our teams review and respond to all reports.

To raise awareness of data protection among our colleagues in all areas, we run annual mandatory training sessions, either in person or online. This training particularly benefits managers and all employees who have access to and work with sensitive data. We introduced a data protection management system to further systematically establish data protection at all business units. We continue to refine this system on an ongoing basis and make constant improvements.





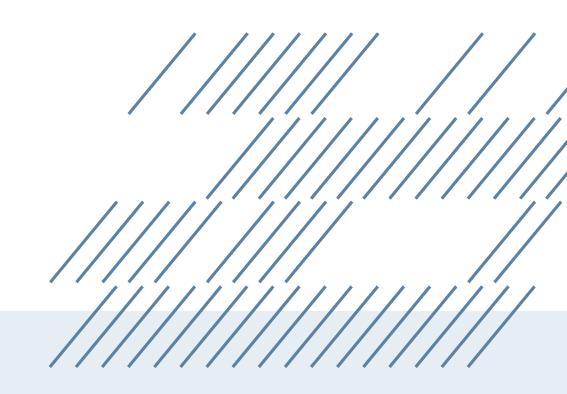
Alongside data protection, information security is of central importance to us in safeguarding the confidence of our customers, business partners and other stakeholders. The possible threats in retail include the failure of IT-based business processes, IT security incidents and cyber-attacks.

We aim to prevent threats and the financial damage they cause, ensure the principles of confidentiality, availability and integrity and protect privacy rights.

Information security allows us to conduct a holistic analysis of our company's risk and security situation and also creates the technical requirements to implement data protection in operations. Information security is divided into three main areas: IT infrastructure, preserving the confidentiality of data and information and the technical implementation of data protection.

In terms of strategy, our aim is to make cyber security more visible at MediaMarktSaturn, raise awareness of security among all company employees and expand the security architecture, technology and capacity to protect the organization and our customers. Our refined strategy prepares us for the future and allows us to respond to the latest requirements at an early stage, including the rising online share of consolidated sales and the risks arising from the advancing professionalism of hackers. As part of this, we accounted for the higher frequency of attacks during the COVID-19 pandemic and implemented security measures to prevent phishing attacks, especially those by e-mail. We are continuing to invest in raising awareness of information

Relevant GRI codes: 103, 418 (management approach)



Protection of availability

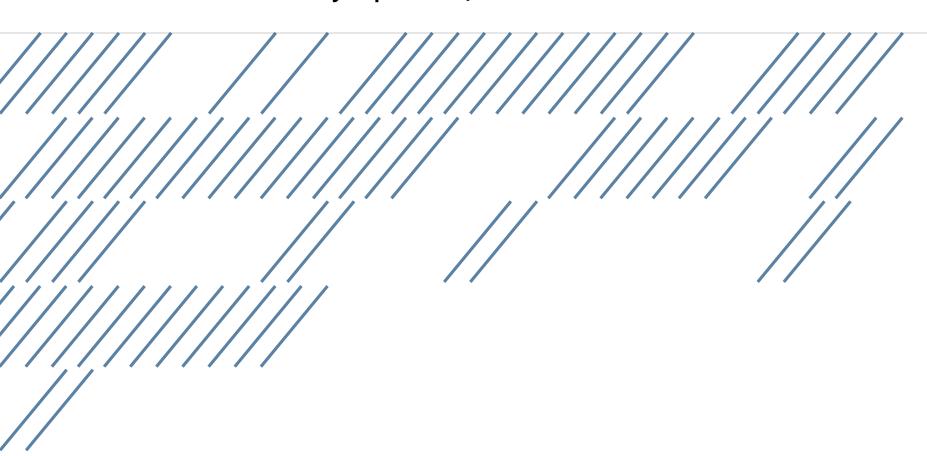
All relevant information is always available when needed.

Protection of confidentiality

All relevant information is disclosed only to a small group of authorized persons.

Protection of integrity

Relevant information has not been falsified and is complete at all times. Only authorized persons can make changes.



security risks among all employees, such as CEO fraud and phishing. Classroom training and online training are mandatory, with regular phishing simulations also introduced this year. Our top management is also involved here. Throughout the Group, around 54,000 employees received training in financial year 2021/22.

We also expanded our integrated security information event management, with its affiliated security operation centre, in terms of staff and technology in order to counter the growing threat of attacks on our systems. We now also have an incident response retainer to ensure that we are well prepared to safely respond to major threats, attacks and crises. In addition, our initiative to identify software errors and security vulnerabilities serves the continuous security improvement of the services available online. The establishment of holistic vulnerability management allows us to respond significantly faster to identified technical risks.

At MediaMarktSaturn, our Chief Information Security Officer bears full responsibility for information security for the Group and all its shareholdings. He reports to the Chief Technology Officer. Additional IT Security departments have been permanently integrated at the country organizations and subsidiaries since April 2021, and come under the responsibility of MediaMarktSaturn Technology GmbH's Cyber Security Office. These departments implement the IT security strategy in their companies and also adhere to special considerations or regulations specific to their country. At CECONOMY, the IT infrastructure and IT security are managed by the IT Security Officer.





Our tax strategy is also based on the Group's philosophy as set out in the Code of Conduct. It is built on the principle that social acceptance is a key tenet of economic success. As an international company, we have a special responsibility: We pay the taxes levied in the countries in which we operate and obey their tax laws and rules. We know that this money helps fund vital investments in local education, research and infrastructure. Accordingly, we oppose any form of tax evasion, whether at our own company or at our business partners. We take these principles into account in all business activities and decisions. We also comply with tax transparency regulations and initiatives, in particular country-by-country reporting.

MediaMarktSaturn currently operates in 13 states. The transfer pricing system is consistent with OECD guidelines. We calculate transfer pricing between the country organizations in line with the arm's-length principle. Our business model expressly aims not to maintain a presence in tax havens, and so we do not have any companies located at any sites on the common EU list of third country jurisdictions for tax purposes.

Responsibility for compliance with our tax obligations initially lies with the Management Board as a whole. The Management Board's schedule of responsibilities assigns this responsibility to our Chief Financial Officer, who

in turn delegates it to the Vice President of Tax. To ensure the uniform handling of tax issues, we set up a Group taxation function and a local tax function. The idea behind this is to make a clear distinction between tax issues concerning Germany and those concerning other countries. Partnering with tax authorities is important to us and so we maintain an intensive, transparent and constructive dialogue with the local tax authorities.

Our Management Board also arranged for the introduction of a tax compliance management system. The Vice President of Tax is responsible for its introduction and monitoring. The aim here is to ensure that tax obligations are properly fulfilled. The basic concept and minimum standards of the tax compliance management system take into account the seven pillars of the IDW Assurance Standard 980 and the corresponding "IDW Technical Guidance 1/2016".

Incidents or suspicions of tax misconduct are reported through Compliance's established communication channels, either within the Group or by third parties. Public auditors audit tax reporting in the annual report as part of the audit of the annual financial statements.



Taxes are used to fund local education, research and infrastructure

Relevant GRI codes: 207-1, 207-2, 207-3

our business model

We achieve big things – in the truest sense of the word. Our Group companies have billions of consumer contacts each year and we offer products, services and solutions that are intended to make living in the digital world as easy and enjoyable as possible. We help people discover and experience technology through personal relationships. Our "experience electronics" strategy brings these attractive, individual customer experiences to the fore. The customer stickiness that this creates lays the groundwork for us to develop new business models on the basis of our omnichannel service platform, alongside retail: own brands, marketplace, service & solutions, circular economy, "space-as-a-service" and retail media.

As our central management holding company, CECONOMY covers basic areas of the company, including Finance, Accounting, Controlling, Legal and Compliance. The focus of the operating business is the MediaMarktSaturn Retail Group, to which our MediaMarkt and Saturn brands belong. CECONOMY and MediaMarktSaturn have a unified management structure.

CECONOMY holds a minority stake of around 24 per cent in Fnac Darty S.A., one of the leading French retailers for consumer electronics and household appliances.



The CECONOMY world at a glance





FNAC DARTY

MediaMarkt

MediaMarkt, the number one electronics retailer in Germany and Europe. The company was launched in 1979 and is now one of the independent retail brands within MediaMarktSaturn. MediaMarkt has about 267 stores and around 11,000 employees in Germany (as of 30 September 2022). Across Europe, the company operates in 12 countries with about 37,000 employees at around 890 stores. At the heart of our successful concept is a contemporary range of brand-name products, personal advice and diverse services. MediaMarkt combines the advantages of in-store and online retail under the umbrella of a trusted brand, interlinking individual shopping experiences.

Saturn

The company has been turning technology into an experience for our customers since 1961. Saturn shows people how modern technology products can enrich their lives. Today, we operate Saturn as an independent retail brand under the umbrella of MediaMarktSaturn. In Germany, Saturn has 132 stores and employs about 5,600 people (as of 30 September 2022). Our stores are synonymous with an attractive location and a wide, diverse range of brand products at excellent value for money. They also appeal to our customers thanks to spacious selling spaces, excellent service and outstanding advice. Saturn also links in-store business closely with its online shop and mobile shopping via app.

Fnac Darty S.A.

Fnac Darty S.A. is a leading French retail company for consumer electronics and household appliances with around 25,000 employees worldwide. The Group comprises an omnichannel network of 971 stores in 13 countries around the world (as of 30 June 2022). The Fnac Darty websites alone had around 27 million visitors per month in 2021. Fnac Darty S.A. achieved sales of around €8.0 billion in the same year.

Store network by country

We operate in 13 countries. The number of stores we operate increased to a total of 1,024 in financial year 2021/22.

106



119

Number of stores 2021/22

	30/09/2021	Openings/additions 2021/22	Closures/disposals 2021/22	30/09/2022
Germany	405	1	-7	399
Austria	52	0	0	52
Switzerland	25	0	0	25
Hungary	32	4	0	36
DACH	514	5	-7	512
Belgium	24	0	-1	23
Italy	119	3	0	122
Luxembourg	2	0	0	2
Netherlands	49	0	0	49
Portugal	10	0	0	10
Spain	106	2	-1	107
Western/Southern Europe	310	5	-2	313
Poland	81	0	0	81
Turkey	85	5	-1	89
Eastern Europe	166	5	-1	170
Sweden	28	1	0	29
Others	28	1	0	29
CECONOMY	1.018	16	-10	1.024

Innovation and new business models

Innovation plays a key role in our "experience electronics" positioning. We consider the entire value chain here – from supplier management and logistics processes to our stores, the products and services offered and their utilization phase and recycling.

In organizational terms, innovation projects are always run in close coordination between the holding, country organizations and subsidiaries. Centrally, the organizational integration of Innovation (N3XT) and strategy ensures that all projects help drive corporate development towards a strategic vision in the long term.

An in-house research team constantly evaluates new technologies, use cases, solutions and companies and how relevant they are to our own business activities. Pilot projects and implementation planning are then carried out directly with the departments and country organizations to increase the pace and relevance. There is also a network of partnerships in place to apply perspectives, expertise and skills, in a way that is precisely tailored to the market opportunities.

Our innovation work is divided into three areas:

- // We develop and test new concepts, technologies and methods that could make the customer experience even more attractive and personalized throughout all experience areas – employee, shopping, usage and impact experience – and thus generate lasting competitive advantages.
- // Our goal is to improve internal company processes through **innovative technologies** in order to boost efficiency as well as helping our employees focus entirely on customers and, in turn, improve the **customer experience**.
- // As an omnichannel service platform, we act as an intermediary between industry partners and customers. By giving them access to our customer base, we help partners showcase their innovations. In turn, this allows our customers to experience different manufacturers' latest innovations directly on a platform. For us, this creates the opportunity to develop new business models based on our platform by bringing together partners and customers.



Innovative pilot projects

In financial year 2021/22, we launched important innovative pilot projects in the areas of shopping and employee experience, including digital point of sale, automation, connectivity, virtualization and digital culture.

Employee experience

Initially, the focus was on the changing world of work as a result of the COVID-19 pandemic. The team responsible tested systems and methods in place for the efficient digital management of office space and conference areas. Another project was our innovative internal gamification concept to boost sales activities, service attachments and for self-motivated learning. Our innovation department, together with Technology and our German country organization, was responsible for development. The gamification concept is known internally as "LaLiga" and is a competition run across multiple stores. The idea behind this? Better target attainment and more in-depth learning experiences. Ultimately, the concept also ensures a better customer experience and helps generate additional revenue.

Shopping experience

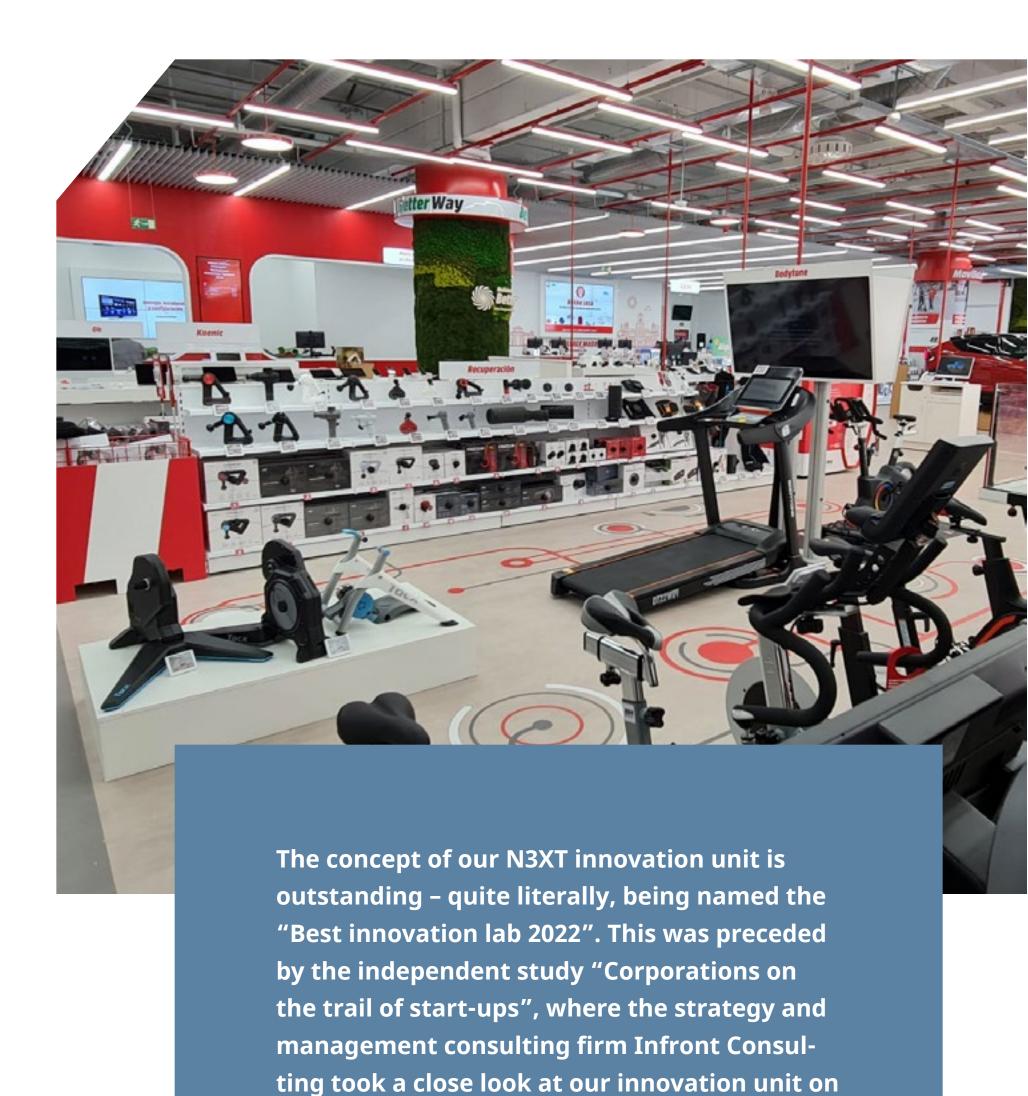
In addition, the team worked closely with Social Commerce and tested out various live video shopping scenarios in the first half of 2021. And the results were quite something: they were extremely promising, both in terms of customer satisfaction and in terms of cost efficiency. In light of this, we permanently integrated the service in the second half of the year.

Another topic was cryptocurrency democratization, which proved to be particularly interesting sub-area for creating new business models. We installed machines in our stores that our customers can use to easily purchase various cryptocurrencies, including Bitcoin and Ethereum. The results are encouraging and will be further evaluated in the context of crypto prices' ongoing performance.

New business models

As well as various projects, our overarching strategic focus offers one thing in particular: experience electronics across all channels. We offer our customers a way to experience and participate in innovation. In stores, for example, this takes the form of our lighthouse formats. This innovative store concept creates a brand new shopping experience for our customers. The key to this is the combination of own retail space, manufacturer boutiques and room for presenting product innovations.

In the digital realm, we have continued to expand our marketplace activities. The marketplace gives our customers seamless access to new categories that complement our core range, including e-scooters and gaming innovations. What's more, our retailers have the opportunity to directly test product innovations. On the subject of the marketplace, Retail Media markets advertising space and collects data based on our online traffic. While these elements may not be entirely new, we have considerably strengthened and boosted the business models behind them over the last financial year. All in all, this represents the ongoing development of our overall business model, which will continue to accelerate in the years ahead.



behalf of the business magazine Capital.

Governance

Our sustainability strategy

The topics identified in our materiality analysis are the building blocks of our sustainability strategy – together with the seven Sustainable Development Goals (SDGs) of the United Nations, which we play a role in achieving.

Sustainability is one of the cornerstones of our strategic advancement. We are pursuing a far-reaching sustainability strategy with a clear focus: first, to make our own business operations more sustainable, and second, to help our customers live a more sustainable lifestyle. The increasing demands on companies with regard to zero carbon emissions, circular economy and compliance with the law also mean higher minimum standards for us in connection with business operations and ESG transparency¹. To meet these demands, we work constantly to implement our sustainability strategy. By doing so, we also aim to ensure that our business operations are in line with the expectations of our employees, customers, partners and investors, as reflected in the ESG regulations.

Our material topics

Combating corruption and bribery - Compliance **Social issues** - Data protection and information security - Climate protection and energy - Waste management and resource efficiency **Environmental issues** - Sustainable logistics - Sustainable products and services - Employee development and talent management **Employee issues** - Fair and responsible working conditions - Diversity, inclusion and equal opportunities **Human Rights** - Sustainable supply chains

We have set ambitious, strategic ESG targets



"We offer the most sustainable range of consumer electronics products in **Europe":** Maximum circular economy thanks to energy-efficient, sustainably produced and packaged projects as well as offerings that enable our customers to live a sustainable lifestyle.



"We will be pioneers of the circular economy and create a new sustainability promise": Our promise of "more life per cycle" covers the entire product lifecycle and makes products appealing and usable by our customers for longer, including for secondary and tertiary use.



"We take social responsibility and offer a climate-neutral shopping experience": Ambitious climate targets, social responsibility throughout the supply chain and responsibility for our employees play a central role for us.

Our action areas to achieve these goals:

Climate and resources

We take responsibility for the emissions caused directly or indirectly by our business activities throughout the value chain. We continually develop new measures to optimize operating processes and thus improve our carbon footprint. We are guided by the goals of the Paris Agreement for limiting global climate change, one of which is to reduce CO2 emissions by 4.5 per cent a year by 2050. Based on this, we are aiming for net zero Scope 1 and 2 emissions by the end of 2023. In addition, we plan to reduce all Scope 3 emissions throughout the supply chain within the next ten years. We are also working hard to reduce our resource consumption, firstly in relation to packaging and secondly in terms of the materials we use to produce our own brands.





Sustainable products and circular economy

At customer level, our goal is to continually increase the number of sustainable products in our range. We also pursue new business opportunities related to the circular economy by drawing on a wide range of repairable or recycled products, repair services, trade-in options and new financing models.

Social commitment

We champion ESG values on the labour market and strictly observe ESG compliance for employees. After all, one of our most important goals is to drive forwards an ESG transformation that makes a meaningful contribution to society. We consider developing our workforce a key growth factor. The focus here is on employee involvement and talent development, as well as promoting diversity. At the same time, we undertake to uphold labour laws and human rights, both in our own companies and in the supply chain as a whole. To this end, we have established a concept for sustainable supply chain management and continue to refine this on an ongoing basis.





From top to bottom: Organized sustainability

CECONOMY's sustainable transformation is a top priority, which is why responsibility for the issue lies at the very top – with our Chief Executive Officer. He is responsible for our sustainability strategy and tracking all targets and progress. Both internally and externally, he ensures a high level of transparency, strengthens the conditions for the respective sustainability initiatives and monitors their development. The targets, values and strategy are assessed and updated at regular meetings with the Supervisory Board.

Our sustainability department draws up the strategy and refines the key performance indicators, as well as helping the countries and departments with implementation. In addition, the unit promotes discussion with internal and external stakeholders and further develops sustainability communication. Sustainability managers in the country organizations are the primary local contacts and have the important task of conveying the understanding of sustainability directly to the countries and deriving country-specific activities.

Governance Environment Society

Networking and initiatives



As Europe's biggest consumer electronics retailer, we are committed to playing a leading role in overcoming the key global challenges. For example, we are part of the principles of action of the German Retail Federation (HDE), the Diversity Charter and the UN Global Compact, and also signed the European Commission's Green Consumption Pledge Initiative.

By signing the uniform principles of action of the HDE, we committed to responsible, sustainable action. In five guiding principles, the HDE sets out its shared understanding of its social role as a company, supplier, partner and employer. One of these guiding principles is prioritizing sustainable growth over short-term profit.

To be more specific:

"We set ambitious targets for efficiently protecting the climate and resources. We support the federal government's climate target for 2030 and are committed to the European target of EU-wide carbon neutrality by 2050. We want an energy transition where costs are fairly shared. We are working hard to reduce CO2 emissions, use fewer raw materials and close cycles. Fair working conditions and compliance with human rights principles throughout our global supply chains are a fixed component of our due diligence standards. Digital business models are increasingly shaping our sector. We believe it is our job to ensure these put people and values at the centre."

Employees in our sustainability departments regularly participate in various sustainability working groups. This helps us ensure that we are always at the forefront of knowledge in the sector and helps us establish a strong network.

Green Consumption PIEGE

The Green Consumption Pledge Initiative is part of the European Climate Pact. This EU-wide initiative makes a clear appeal to companies: get involved in climate protection and build a greener Europe. By signing, companies promise to help accelerate the green transition. The commitment calls on signatories to uphold at least three of five core principles. Their key issues are carbon emissions, transparency, industry best practices and the sale of sustainable products.



Governance Environment Society

By signing up to the Green Consumption Pledge, we have committed to the following targets:

- 1. Increase the annual sourcing of electricity from renewable energies from 80 per cent in 2020 to 100 per cent by the end of 2023.
- 2. Achieve net zero emissions for Scope 1 and Scope 2 emissions by the end of 2023, measured by the OEF method.
- 3. Reduce net CO₂ intensity (CO₂ net emissions in relation to total sales) of the relevant Scope 3 emissions by 30 per cent by the end of 2033 compared to the base year 2019 (baseline for own-brand products is the year 2021). As well as the transport of goods, CECONOMY defines purchased goods and services for own business operations and own brands as relevant categories.
- 4. Continually increase the number of sustainable (or sustainably labelled) products in the assortment to make a more sustainable lifestyle possible for customers.

- 5. Double the number of sustainable products by the end of 2023 (baseline: 1,000 sustainable products in 2020) and continue to increase this after 2023.
- 6. Provide extensive sustainability background information for products labelled as sustainable on the CECONOMY website.
- 7. Publish targets and progress on all sustainability commitments stated each year in the separate non-financial statement and on the company's website.



Global sustainability goals are our mission

The United Nations' 17 Sustainable Development Goals (SDGs) are landmark guidelines in sustainability. They set out a clear plan for how to shape sustainable social development while also taking account of environmental constraints. We view these global sustainability goals not simply as guidance, but as our mission. Accordingly, we have set ourselves the target of linking our business model with the SDGs. This means strengthening our positive influence and reducing negative effects.

With regard to our business model and the possibilities for influence, as part of our materiality analysis we identified seven SDGs where we have particular influence. And we want to help achieve them, which is why we have incorporated them in our own guiding principles.





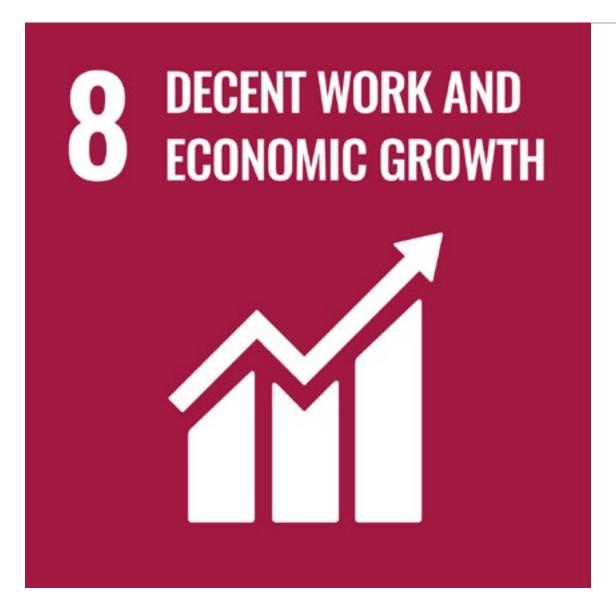
SDG 5: Gender Equality

"Because we value social diversity, we are working towards a share of women in management positions that reflects the overall employee structure. To increase the general share of women at MediaMarktSaturn, we run staff development programs to promote our female employees and are improving our recruiting processes. Our "Women in Retail" initiative opens up a wide range of opportunities for women and, in particular, provides them with knowledge and networks."



SDG 7: Affordable and clean energy

"The expansion of renewable energy at MediaMarkt-Saturn is particularly important to us. For example, we continue to advance the Group-wide conversion to green electricity. We also offer our customers electricity contracts exclusively with renewable energy via external service providers, paving the way for better access to affordable, reliable and modern energy."



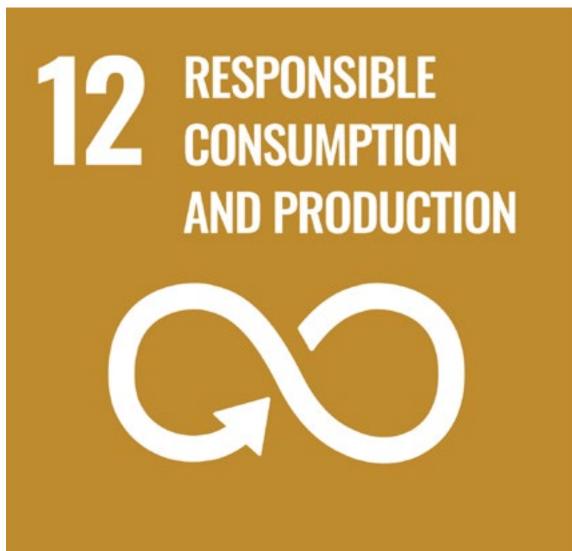
SDG 8: Decent work and economic growth

"As an employer of around 51,000 people worldwide, we believe it is our duty to offer them safe and attractive jobs. We ensure that our suppliers also adhere to and promote environmental and social standards. We shape our growth as a company sustainably. It is also important to us that we contribute to the local economy. We support increased economic productivity by selectively promoting technological innovations."



SDG 9: Industry, innovation and infrastructure

"One of our core competencies is promoting innovation and new business models. Digitalization in particular is currently triggering critical transformation processes. It also offers us new possible solutions to current and future challenges – for example, we can use innovations to help reduce our consumption of resources and energy and to make our value creation sustainable."



SDG 12: Responsible consumption and production

"As the largest European company in the field of consumer electronics, it is our duty to create added value for consumers. At the same time, we believe we are responsible for developing solutions for environmental and social challenges. With around 2.4 billion customer contacts a year¹, we are able to and want to shape the market for sustainable solutions in our sector. We take our stakeholders' expectations, wishes and requirements seriously and support our customers with responsible, sustainable consumer behaviour."



SDG 13: Climate Action

"We are aware that, in performing our business activities as a retail company, we produce carbon emissions that are harmful to the climate – for example, in operating our stores and in logistics and transportation. This is precisely why we are passionate about working on appropriate solutions. After all, we are responsible for reducing our negative impact on the climate as far as possible and also making use of our influence outside our company."

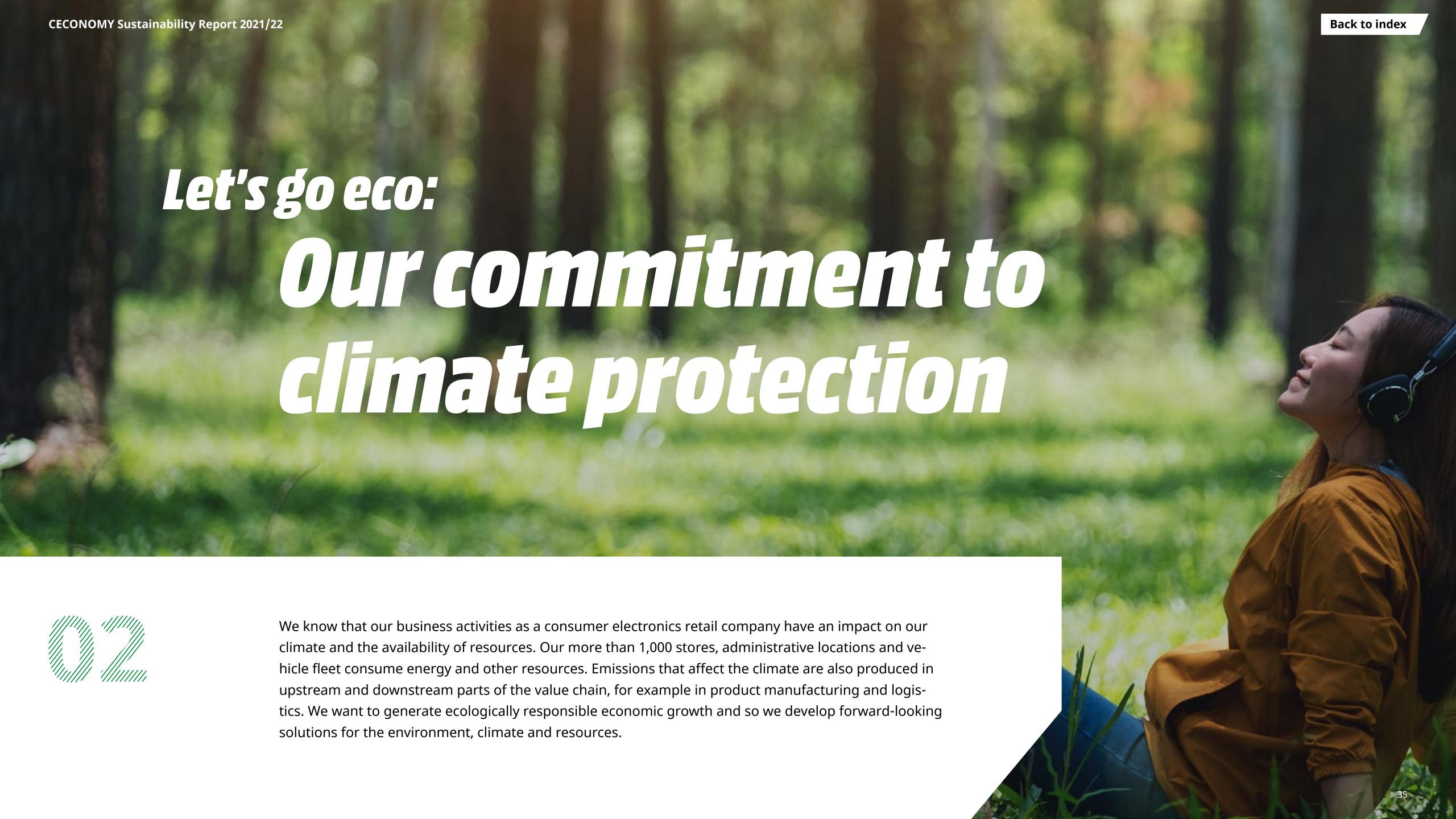




SDG 17: Partnerships for the goals

"Many current and future challenges are complex and affect a wide range of players all along the value chain. We therefore rely on close partnerships with our stakeholders. Our clear goal here is to develop practical, effective solutions for our sector together."

We take our sustainability goals seriously. Back in August 2018, the MediaMarktSaturn Retail Group joined the United Nations Global Compact (UNGC). CECONOMY joined in April 2021. The UNGC is the world's largest corporate responsibility and sustainable development initiative. Through our participation, we demonstrate our commitment to the ten principles of the UNGC. At the same time, we undertake to work actively on meeting the Sustainable Development Goals and submit an annual report (communication on progress) to the United Nations regarding our progress in sustainability.



We wish to be a carbon-

neutral company



"With great power comes great responsibility": We take responsibility for the emissions caused directly or indirectly by our business activities throughout the value chain. But what factors at our company have a significant impact on the climate and on resources? As well as manufacturing the electronics products we sell, the main factors are our ongoing store operations and logistics.

Our mission is to be a carbon-neutral company. The first step here is to be fully transparent about our emissions. This is the only way we can take reasonable measures to reduce CO2 emissions. We can exert the most influence here on our own brands, which is why steadily reducing the carbon footprint of these products is a particularly high priority for us.

Deutsche Technikberatung is the first CECONOMY company to be carbon neutral within its own operations and has been so since the start of 2021.

To minimize our emissions, we develop specific climate protection measures on an ongoing basis. Everything that we have already done and everything we are planning for the future are components of a comprehensive climate strategy. We are guided by the goals formulated by the Paris Agreement for limiting global climate change. To track our progress, each year we calculate our carbon footprint in line with the requirements of the Greenhouse Gas Protocol.

We regularly report our progress to the Management Board. Through networking and being a member of various organizations, we also ensure that we are always up to date with current developments.

Relevant GRI codes: 103-1, 103-2

CECONOMY Sustainability Report 2021/22

Governance

Environment

Society

Our climate targets

We aim to make a clear and demonstrable contribution to global climate protection. To achieve this, we have set ourselves clear targets.

So where do we stand at the moment? Compared to the 2021 reporting period, we reduced our Scope 1 and 2 emissions by 8.2 per cent. This puts us well on track to achieving our goal. Net CO2 intensity for freight transport and purchased goods and services for internal operations and own brand emissions (Scope 3) came to 52.2 t CO2e /million sales in the financial year 2022, 9.7 per cent higher than in the previous year. This is primarily because logistics emissions are collected from primary data. We are particularly delighted that we were able to expand our emissions calculation even further this year to include the emissions from our employees' commutes.

This year, we also committed to participating in the Science Based Target initiative (SBTi). In line with the requirements of the SBTi, we are currently working on formulating and implementing additional climate targets. The aim of these is to reduce our emissions according to the Greenhouse Gas Protocol even faster, making a meaningful contribution to preventing the worst effects of climate change.

100%

We will increase the annual sourcing of electricity from renewable energies to 100 per cent by the end of 2023.

30%

We will reduce net CO2 intensity (net CO2 emissions in relation to total sales) from the transport of goods, purchased goods and services for internal operations and the net CO2 intensity of own brand emissions (Scope 3) by 30 per cent by the end of 2033 compared to the baseline year of 2019/2021 for own brands.

We will have zero direct and indirect net CO2 emissions from internal operations (Scope 1 and 2) by the end of 2023.



CO₂ emissions

Energy consumption

Share of renewable energy

78,5%

12%

90%

Reduction since 2015

Reduction since 2018/19

Increase of 81 per cent in 2019/20



The responsible use of energy as a resource is important to us and so we adopt a methodical approach here. Electricity purchased to run our stores accounts for a high share of our energy requirements. We thus work continuously to reduce our energy consumption per square metre of selling space, conserving resources and minimizing the CO2 emissions from energy consumption.

In financial year 2021/22, the total energy consumption of our stores and administrative buildings (not including the vehicle fleet) came to 543.0 thousand megawatt hours. This corresponds to 210.5 kilowatt hours per square metre. By implementing thorough energy saving measures, we significantly reduced energy consumption per square metre of selling space compared to the reference year 2018/19.

We use efficient energy management to reduce this energy consumption further. Equally important is the ongoing modernization of our stores and administrative buildings, which we carry out largely in our role as tenant. Our property managers at the country organizations are responsible for energy management. However, energy consumption for all MediaMarktSaturn buildings is managed by Corporate Property Management. Here, we identify savings potential, further develop our energy and resource management and establish Group-wide energy savings targets. Corporate Property Management also advises and supports the country organizations on energy-efficient construction and renovation work. The property managers meet at least once a year exchange experiences, coordinate measures and processes, and discuss new legal or social conditions and their effects.

Sustainability is electric

Our vehicle fleet accounts for a significant share of our

emissions hat can be influenced directly. In view of this, we implemented our new company car regulation in November 2021. This focuses on providing more battery electric vehicles (BEVs) in our fleet and creating incentives for electric vehicles. Regardless of the age of their current vehicle, everyone who uses a company car has the option to switch to a BEV. More than 100 of our colleagues took advantage of this offer. Once the vehicles are delivered in the next financial year, the share of BEVs in our fleet will rise to over 10 per cent.

Trust is good – data is better.

An extensive data basis is vital to efficient energy management. We obtain the data required with digital energy meters and sensors for temperature and air quality. Using smart metering systems, we constantly measure electricity usage at our locations so that we can respond to increasing consumption immediately if necessary.

By reducing energy by a total of 12 per cent compared to 2018/19, the year before the Covid-19 pandemic, we made good progress towards our energy saving target in the last financial year. This reflects various measures, such as the comprehensive switch to more energy-efficient lighting, building automation and the optimization of heating, ventilation and air conditioning systems.¹

STOP UNNECCESSARY ENERGY CONSUMPTION!
We launched the "STUNEC" program at the company at the start of 2022, implementing measures across the Group to reduce energy consumption in the areas of climate technology and lighting.

Energy consumption / Energy audit

Total energy consumption in thousands of MWh¹

	2018/19	2019/20	2020/21	2021/22 ^{1,3}
Total energy consumption⁴	661.7	572.5	562.7	583.1
Scope 1 energy consumption	116.1	100.2	99.1	100.7
Natural gas	54.3	51.2	57.6	58.0
Heating oil	2.7	2.5	2.4	2.3
Diesel	53.8	41.9	33.9	32.3
Petrol	5.3	4.5	5.2	8.1
Scope 2 energy consumption	545.6	472.3	463.6	482.3
Electricity	524.3	452.5	444.8	462.3
District heating	19.1	17.9	17.0	18.4
District cooling	2.2	1.9	1.8	1.6
Energy consumption per m² of selling space in kWh²	215.8	197.9	200.4	210.5
Electricity consumption per m² of selling space in kWh²	187.8	170.3	170.3	179.3

¹ Direct energy import by stores, administrative buildings and warehouses

¹The targets are set on a like-for-like basis, i.e. based on comparable adjusted figures, and therefore include around 650 of our more than 1,000 stores.

² Not including vehicle fleet

³ Changes were made to the calculation method as a result of switching to EcoInvent (previously DBEIS) as the source of emission factors.

⁴ Total energy consumption in joules 2.09700e+12

Our climate footprint



We reported selected Scope 3 emissions for the first time in financial year 2018/19 and have continuously improved the quality of underlying data ever since. For example, we expanded our 2021/22 climate footprint to include primary data from service providers and suppliers, which are available on a pro rata basis for logistics and allow for a hybrid calculation method. Over the next few years, we are aiming to gradually increase the share of primary consumption and volume data to steadily improve the basis of calculation.

In the current financial year, we also began taking a close look at the emissions generated by our own brands and we now calculate CO2 emissions for purchased own-brand products. This gives us a valid data basis of CO2 emissions relative to sales, which we use to develop specific steps and measures for the next financial year.

Scope 1 & 2 greenhouse gas emissions in thousands of tonnes of CO2 (CO2 equivalents)

	2018/19	2019/20 ¹	2020/211	2021/22 1,2,3,5
Total greenhouse gas emissions ⁴	100.2	79.6	76.0	69.8
Greenhouse gas emissions not including vehicle fleet	85.5	68.1	66.3	59.1
Direct (Scope 1) greenhouse gas emissions	26.5	22.6	22.1	23.2
Natural gas	11.1	10.4	11.7	11.8
Heating oil	0.7	0.7	0.6	0.6
Diesel	-	-	-	0.1
Vehicle fleet	14.7	11.5	9.8	10.7
Indirect (Scope 2) greenhouse gas emissions (market-based)	73.7	57	53.9	46.6
Electricity	66.5	55.2	49.3	39.4
District heating	6.5	4.3	4.1	6.6
District cooling	0.6	0.6	0.5	0.5
Scope 1 + 2 greenhouse gas emissions per m² of selling space in kg, not including vehicle fleet (market-based)	30.6	25.6	25.3	22.9

¹ Emissions calculated based on energy audit values.

² The VDA emission factors updated in 2019 and ecoinvent 3.8 2022 were used.

³ Market-based emissions according to the GHG Protocol Scope 2 Guidance. For all countries without green electricity, country-specific residual mix emissions factors from the Association of Issuing Bodies (AIB) were typically used based on the market-based method for all financial years.

⁴ Total greenhouse gas emissions according to the location-based method for 2021/22: 221.3 thousand tonnes of CO2 equivalents.

⁵ As CECONOMY has chosen the operational control approach for its company reporting, no figures are reported for Deutsche Technik Beratung (DTB).

Selected indirect greenhouse gas emissions from upstream and downstream activities (Scope 3) in thousand tonnes of CO₂ (CO₂ equivalents)

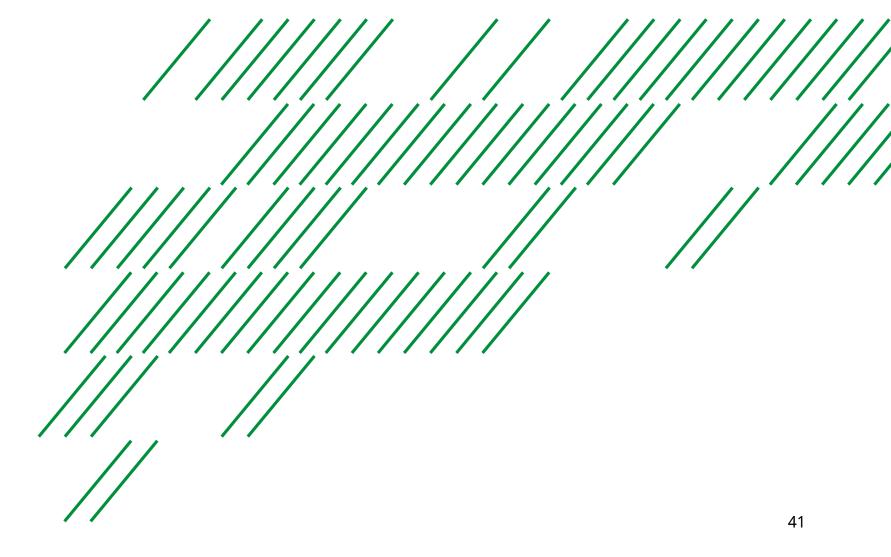
	2018/19	2019/20	2020/21	2021/22
Scope 3.1 – Purchased goods & services ¹	444.6	298.8	724.8	618.6
Scope 3.1 – Non-tradables	(444.6)	(298.8)	(396.9)	(318.3)
Scope 3.1 – Procurement of own-brand products	(-)	(-)	(327.9)	(300.3)
Scope 3.2 – Capital goods ²	109.2	127	58.7	178.7
Scope 3.3 – Fuel- and energy-related emissions ³	55.1	42.7	60.3	43.7
Scope 3.4 – Upstream transportation and distribution ⁴	174.1	271.3	291.6	517.9
Scope 3.6 – Business travel ⁵	3.5	1.1	5.5	2.8
Scope 3.7 – Employee commuting ⁶	26.7	(-)	21.2	46.0

- ¹ Scope 3.1 includes emissions from goods and services purchased for own consumption. Expenditure-based emission factors from DBEIS 2021 were used, which were translated from GBP in 2011 to EUR in 2021 and adjusted for inflation. The emissions for purchased own-brand products were calculated based on expenditure. Emission factors taken from the ecoinvent database were used.
- ² Capital goods related to additions to fixed assets, in which all capitalized investment accounts were included for financial year 2021/22. Expenditure-based emission factors from DBEIS 2021 were used, which were translated from GBP in 2011 to EUR in 2021 and adjusted for inflation.
- ³ In the case of fuel- and energy-related emissions, all upstream emissions of the energy sources from Scope 1 and 2 are included. The DBEIS 2021 emission factors were used for district heating, district cooling and heating oil, Ecoinvent 3.8 was used for electricity and the VDA 2019 emissions factors for diesel, petrol and gas.
- ⁴ All logistics emissions are recognized under upstream transportation and distribution on the basis of the total expenditure in 2021/22. This includes all emissions from storage, handling and transport to stores and customers. Expenditure-based emission factors from DBEIS 2021 were used, which were translated from GBP in 2011 to EUR in 2021 and adjusted for inflation. For items with different modes of transport, weighted averages for the emission factors were recognized in accordance with the distribution. In addition, additional primary data points for some logistics companies were collected this year.
- ⁵ Emissions for business travel by employees were reported here. Employees in all countries reported. As CECONOMY operates in Europe, (short-haul) flights were taken for international travel and trains (national rail) for domestic trips. The data were collected through the official travel partners where available; otherwise they were calculated on an expenditure-basis (travel expenses). The total figure includes emissions from flights, rail travel, rental vehicles and overnight hotel stays. Volume-based emission factors from DBEIS 2021 and expenditure-based emission factors from DBEIS 2021 were used, which were translated from GBP in 2011 to EUR in 2021 and adjusted for inflation. ⁶ Potential work days less holidays in Germany were taken as a reference to calculate Scope 3.7. . DBEIS 2022 was used as the emission factors. Compared to the previous year, travel both to and from work was used as the commuting distance for the first time this year in order to show emissions more accurately. Emissions for the communes of the 44,649 FTEs are calculated based on a percentage breakdown of the various modes of transport (source: "Berufspendler", German Federal Statistical Office (Destatis), 2020 microcensus, as of 31 January 2022) as well as for the number of kilometres driven using the respective modes of transport (source: "Erwerbstätige mit Angabe zum benutzten Verkehrsmittel und Entfernung zur Arbeitsstätte", German Federal Statistical Office (Destatis), 2020 microcensus, as of 2021).

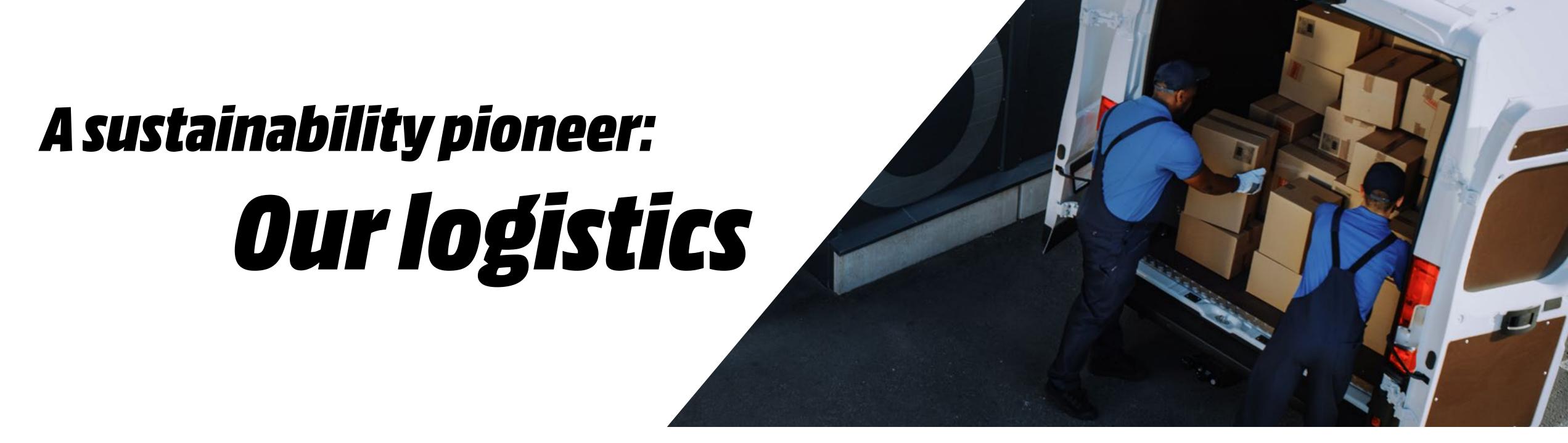
Greenhouse gas emissions by our stores and administrative buildings emissions (not including the vehicle fleet) totalled 59.1 thousand tonnes of CO2 in the financial year 2021/22. This translates into 22.9 kilograms of CO2 per square metre of selling space. As a large portion of our stores use green electricity, we reduced Scope 2 emissions considerably.

There was no CO2 compensation within the carbon footprint limit in the financial year 2021/22, resulting in a net emissions volume for Scope 1 and 2 of 69.8 thousand tonnes of CO2 equivalents. We define "net emissions volume" as actual emissions after compensation by climate certificates. Total Scope 1 and 2 emissions declined by 8.2 per cent in the current financial year compared to 2021/22.

Scope 3 emissions rose by 21.2 per cent against the 2020/21 reporting period. There are two main reasons for this: firstly, the collection of logistics emissions from primary data and, secondly, the change in the method used to calculate emissions from our employees' commutes.



Governance Environment Society





We make technology come alive – and make products available

Customers can purchase washing machines, new televisions and the latest tablets in our online shop and in our stores. We must transport and store these appliances, a process that generates CO2 emissions that we want to systematically reduce by way of a sustainable logistics strategy. Overall responsibility lies with the Vice President for Supply Chain Management. The country organizations are responsible for planning and implementation.

Our supply chains faced additional challenges in financial year 2021/22 due to the ongoing COVID-19 pandemic. The temporary "2G" admission rules for retail showed that we need to accelerate implementation of our supply chain strategy and further develop the centralized omnichannel fulfilment network already in place.

By restructuring our supply chain, we can offer our customers an outstanding service – with delivery speed, reliability, quality and availability. At the same time, we can actively identify waste and opportunities for optimization and work closely with suppliers and service partners. For example, we developed a systemic approach that improves our cost basis as well as environmental sustainability in the supply chain. To implement the new supply chain, we are testing certain functions in different regions in cooperation with suppliers and other business partners, gradually expanding the scope of functions and regions and continuously raising the level of centralization.



Of central importance

Our brick-and-mortar business has been dominated in the past by a decentralized supply chain model. In financial year 2021/22, we made advances in centralization for the Group as a whole. Specifically, this means increasingly centralized procurement and the bundling of delivery flows through central distribution centres. This means that direct delivery to the stores by various suppliers is also no longer required, considerably reducing goods traffic, which accounts for a majority of carbon

emissions. Over the next few years, we will expand the distribution centre from just store and warehouse delivery to an omni-serving unit and omni-distribution centre that also handles direct customer deliveries. To make progress here, this year we brought in additional suppliers to supply stores centrally.

In Hungary, we launched a project to centralize transport flows in waste management, which involved collecting old devices from our customers. These were taken to a central location and sent to recycling companies.

We well as the central distribution centres, we developed hubs for metropolitan areas and cities, with new hubs beginning operations in Germany and successful pilot projects launched in several other regions in financial year 2021/22. What the hub? Hubs are decoupling points to increase the efficiency of city logistics and prepare for rapid changes in regulations and restrictions. From the hubs, customer deliveries, store deliveries and returns are combined with the same vehicles and routes are optimized. As well as shorter distances travelled, these also allow us to offer our customers additional services such as assembly, installation, repairs, disposal of old appliances and delivery windows with a high degree of accuracy.

Sustainable from the outset

Three things were particularly important to us when building our distribution centre in Germany: scalability, resource-saving construction methods and high levels of sustainability. The centre was granted silver certification according to the standards of the German Sustainable Building Council (DGNB) at the start of 2022. The photovoltaic system installed by the lessor generated 281,784 kWh in its first month of operation in July 2022. We leased 7.5 per cent of this and feed this profitably into the power grid. To minimize the distribution centre's electricity consumption, it uses exclusively LED lighting. Finally, forklifts with lithium-ion batteries with a partially lighter structure reduced CO2 emissions by around 16 per cent compared to conventional warehouse vehicles.

In financial year 2021/2022, we implemented the "Omnichannel Spine" initiative for our online sales channel in the Netherlands, which will subsequently be launched in Germany too. Spine allows us to manage inventories across all sales channels and warehouse locations, This centralized approach increase the transparency of transport routes, fuel consumption and freight capacity utilization, optimizing our transport flows and reducing our CO2 emissions.

Electric vehicles and cargo bikes for the last mile

We also launched our first ever "zero last mile delivery" pilot projects. In the Netherlands, we have been working together with an external partner since 2022 to offer same-day deliveries using cargo bikes. Our stores in Spain are increasingly turning to electric vehicles to deliver to customers. In Switzerland, we also work with logistics providers that have demonstrated their commitment to avoiding CO2 emissions and that focus on electrifying their vehicle fleets. New logistics logic revealed further potential for reductions: In Germany, we launched a pilot project in financial year 2021/22 that reduced CO2 emissions by about 60 per cent in nine weeks. The key to this? Changes to transport routes for deliveries from stores to customers.

We also want to bolster sustainability in areas related to logistics, including the sustainable use and re-use of packaging materials. When it comes to packaging, our focus is on reducing packaging materials, optimizing packing dimensions and using sustainable raw materials. At our German distribution centres, we already use wet glue labelling machines for this. Using paper and natural glue means that the environmentally friendly packing tape can be disposed of in the paper waste bin together with the box. This is simpler for our customers and reduces plastic waste.

An eye on the environment and the data: We collected consumption data from selected transport service providers in financial year 2021/22. The aim is this is to enhance the transparency of the type and amount of CO2 emissions generated by logistics and warehouse operations. Based on this and on recognized standards (Greenhouse Gas Protocol, EN 16258) and methods (Global Logistics Emissions Council Framework), we set targets and report on our progress. The calculation of Scope 3 emissions from logistics and transport can therefore be successively expanded. We are also working on shipping data reporting, which will enable detailed "last mile" analysis and thus provide a good basis for establishing measures to reduce CO2.



Governance Environment Society

Not for landfill: Resource efficiency and waste management

When it comes to waste, separation anxiety is a foreign concept for us. We have waste separation processes in place and are constantly working on reducing the volume of waste even further. After all, our business activities generate waste – in our stores and administrative offices and at our customers. We are aware of the impact this has on the environment and the proper handling of waste is a top priority for us. We implement extensive measures, train our colleagues and regularly monitor actual waste management practices. In addition, we work exclusively with certified disposal specialists. To assist customers with recycling, we take back both old electrical devices and packaging waste free of charge and recycle them properly as a valuable resource.

Our country organizations are responsible for waste management, as different countries have different legal requirements regarding waste collection, separation and disposal. Accordingly, disposal partners are also selected and waste volumes monitored at country level.

Old electronic devices that have reached the end of their useful life for customers are a significant waste category for us. The return and subsequent recycling of these old devices is regulated by the Waste Electrical and Electronic Equipment Directive and the corresponding national laws in the European Union. As a retailer, we are legally required to take back





old devices. This applies in all EU countries where we operate, both for our brick-and-mortar business and our online shops. Our customers can return their old devices to stores or we can take them back when delivering a new device. In line with legal requirements, we also offer disposal stations for batteries and lamps in our stores. Old devices are collected and sorted directly in store or at central warehouses in regulation containers. In some cases, we also accept returns of old electronic devices that go beyond our legal obligations. In the financial year 2021/22, around 39,788 tonnes of old electrical devices were taken back in

Germany and passed on to waste management companies for recycling.

Packaging waste is another waste category and we placed about 14,652 tonnes* of this waste into recycling across the Group in financial year 2021/22. In Spain, we put a new, automated pack-to-good packing machine into service that tailors the packaging to the product, thus removing the need for outer packaging and filling material. In the Netherlands, we use reusable transport containers to deliver to stores in order to reduce packaging waste.

Returned old electrical devices 1,2

in tonnes	2021/22
Heat exchangers	8,714
Screens, monitors	3,650
Lamps	8
Large appliances	25,958
Small appliance	1,172
Small IT or telecoms devices	286
Total old electrical devices	39,788

¹ The reported volumes are recorded by the disposal service providers in Germany.

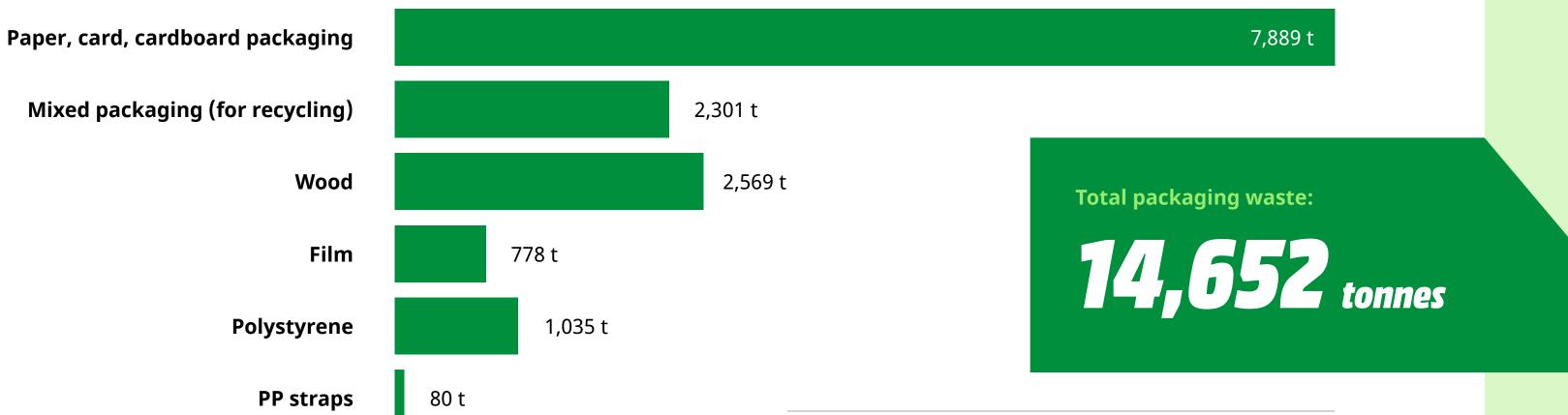
² Electrical devices with integrated circuits in which substances other than water are used for the purpose of cooling/heating or dehumidification Screens, monitors and devices with screens with a surface of more than 100 cm², glow-discharge lamps and other lamps that can be used in private households, appliances that have at least one external dimension of more than 50 cm and appliances that have no external dimensions of more than 50 cm

We have the most influence over reducing packaging waste when it comes to our own brands. Here, we avoid non-essential (transport) packaging materials. In addition, we make full use of the transport boxes used by making changes to order volumes. Where this is not possible, we use transport, filling and packaging material that is less damaging to the environment. Where possible, we do not use outer packaging at all, for example for our KOENIC CO2 gas cylinders, ISY's rechargable electric lighters, refillable ISY smartphone cleaning sprays and ISY working lights. We already use recycled plastic or certified packaging to repackage individual products and have changed packaging for our LED product range

and cables from plastic to paper. The introduction of refillable own-brand ISY ink cartridges marks another step in our efforts to prevent waste and move towards a circular economy. We are also developing other innovative products such as our ISY branded mobile phone cases that are made of plant-based material and are therefore biodegradable. These "eco cases" are also sold in stores in packaging made entirely of certified paper.

*This includes both packaging waste returned by customers and transport packaging generated in stores and warehouses. At stores rented in shopping centres, packaging waste cannot be reported by volume as the quantities are not fully taken into account here. This affects about 44 per cent of stores.

Packaging waste¹



¹The reported volumes are recorded by the disposal service provider in Germany.

The registration obligation for all packaged goods was expanded following the amendment to the German Packaging Act (VerpackG). Previously, this obligation applied only to manufacturers of "packaging subject to system participation" – i.e. outer packaging that typically ends up as end consumer waste after use – but manufacturers of packaging not subject to system participation have also been required to register since 1 July 2022. In our case, this affects transport and outer packaging that we supply to our business customers. We registered these types of packaging on time in the packaging register for the German country organization.

Governance Environment Society

Too good to go: Trade-In Program

Many of our customers still have functioning smart phones lying around in a drawer or that they dispose of incorrectly. The result? An avoidable strain on our environment and resources. In financial year 2021/22, we set up smart phone buyback machines at 400 German and 34 Austrian and Dutch stores. At these machines, customers can have their device valued and trade it in for a gift card for the equivalent value. We then refurbish the phone and return it to the circular economy so that it can be used for a second or perhaps even third time. If we can no longer bring a device back into a usable condition, we include it in a certified recycling process where, in an ideal scenario, it is used for spare parts to give other products a second chance at life.

In collaboration with our partner Foxway, the trade-in program was expanded to include additional return channels and product categories: since mid-2022, in a total of five countries customers have been able to trade in their devices either at their closest store or online. We also offer this service for other product categories such as notebooks, tablets and cameras. It will be possible to purchase these devices in all countries by the end of 2022.

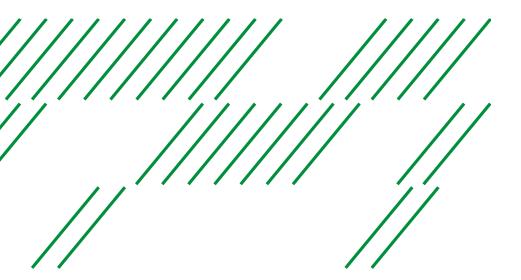
In the 2021/22 reporting period, more than 70,000 devices were purchased across the company's countries through the trade-in services and either reprocessed or included in a certified recycling process.



Over

70.000 appliances and devices

purchased per trade-in





The resell rate for returns in Germany and Spain is over 98 per cent

Online returns

We can give a second life to almost all products that come back to us as returns from online orders. In financial year 2021/22, the resell rate at the German central warehouse and the Spanish service hub was 98 per cent. This reflects ongoing process optimization and intelligent marketing across our stores, various online marketplaces and external partners – and many years of experience.

At our German country organization, we process returns at different locations depending on the size of the product. Most returned products go directly to our stores. Large appliances, on the other hand, – which we also refer to as "two-man handling items" – undergo a centralized process and are processed and prepared for reselling at the German central returns warehouse. This applies to about 3,000 appliances a month. Just under 7 per cent of all other German returns are also sent here. Overall, this means that we individually check and prepare more than 5,000 products at the central warehouse each month.

We also process returns centrally at our Spanish country organization and divide them into various categories depending on their condition: goods in perfect condition are returned to the online shop, whereas defect goods are sent back to the manufacturer. Products that have already been opened or tested are processed individually and sold on our website at a discount. In the future, we will sell products with minor visual defects or missing accessories via an outlet. Appliances that cannot be repaired for safety reasons are properly disposed of.





Technology

It is no secret that, in today's market environment, technology is one of the key factors in standing out from the crowd and staying one step ahead of your competitors. This is also true of sustainability.

Our subsidiary MediaMarktSaturn Technology helps us achieve our sustainability targets here by developing and operating technology and technology platforms, which we use both for our internal processes and for customer interactions. Overall responsibility for technology lies with our Chief Technology Officer, who is also a member of the MediaMarktSaturn Retail Group Executive Board.

We implemented various technology initiatives and product developments in financial year 2021/22 that benefit our customers, employees and the environment.



Initiatives and product developments

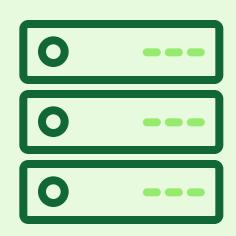
In April 2022, we added carbon-neutral bicycle delivery as an additional delivery option in the order process for our Dutch online shop and significantly improved the display of delivery times.



We made further progress in consolidating our data centres: 310 servers and 40 apps were migrated to Google Cloud or developed there. In total, 3,500 of the servers and 260 of the apps we operate are on the cloud. By using Google data centres, which run entirely on renewable energy, we are helping reduce global energy consumption while also ensuring our own systems there are carbon neutral.



Between December 2021 and May 2022, we installed 2,300 new store servers across the Group. We also replaced servers that would shortly have reached the end of their life. The new hardware is far more energy efficient, which reduced electricity consumption. In addition, we reduced hard disk storage by moving all local storage to the virtual Office 365 space.



We also made progress in standar-dizing our computer networks internationally and have now virtualized LAN infrastructure, for example for supplier or demonstration networks, to our existing network in another 190 stores. This allowed us to reduce the number of active network components and resulted in lower energy consumption with the same network utilization.



Business processes in stores that used to be done on paper were digitalized and moved to the digital signature platform Scrive. As well as last year's savings, this measure alone meant that we used 20,000 fewer pieces of paper, representing additional CO2 savings of 105 kg. As digitalization picks up in stores in the years ahead, this will rise to 45,000 pieces of paper a year.

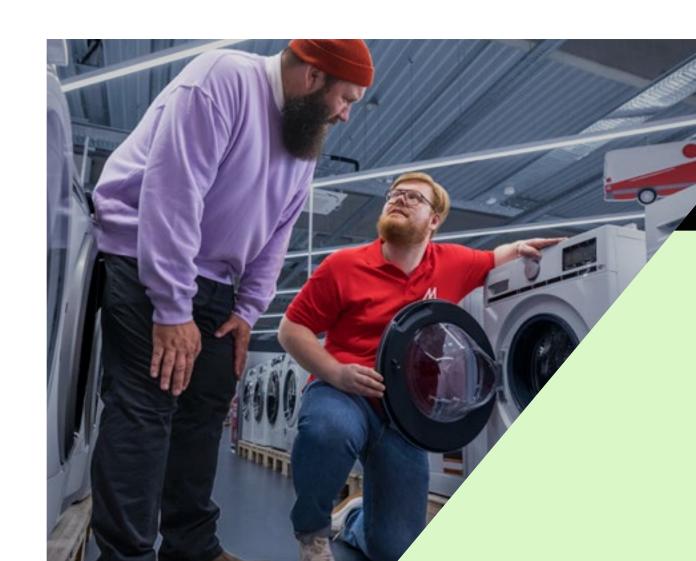


Governance Environment Society

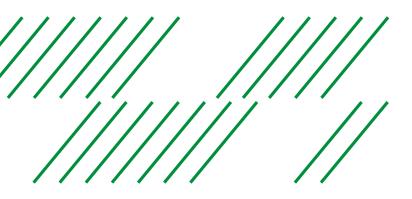
An ongoing experience: Sustainable products

und services

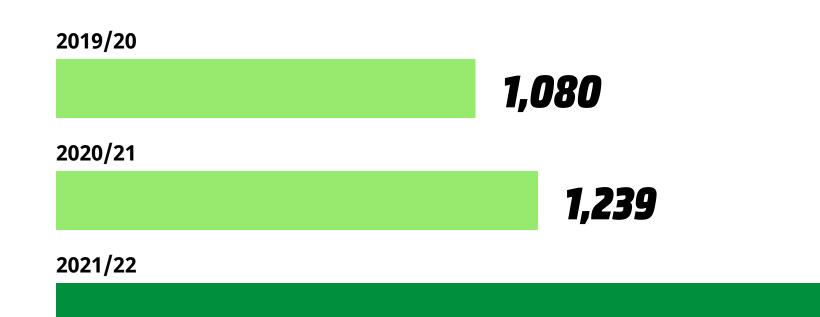
We want to offer our customers an attractive experience across all channels – experience electronics. From trying products out in store to stress-free set-up at home, from smooth delivery to repairs. This is the basis of our strategic considerations. We believe this also includes supporting our customers in responsible consumer behaviour. To achieve this, we need to record and optimize the social and environmental impact of our products throughout their lifecycle and ensure the negative impact remains as low as possible by providing a broad range of services.



Sustainable products



Sustainable products in the range



3,207

We want to help our customers live a sustainable lifestyle. But what happens when you can't see the forest for the products? Especially when it comes to electronics, it is not always easy to recognize a sustainable washing machine or coffee maker. As a retailer, we aware of our special responsibility to highlight a product's sustainability over its entire lifecycle. We help our customers make sustainable purchasing decisions as far as possible by providing them with product information and ensuring products are comparable.

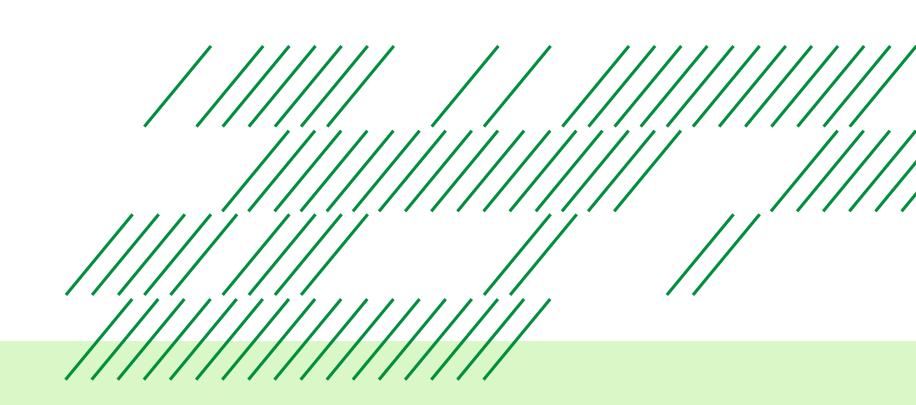
What actually are sustainable electronics products? They include the use of recycled materials in production, energy or water consumption in the utilization phase and the product's durability and whether it can be recycled. We aim to ensure compliance with social and ethical aspects, such as safeguarding human and labour rights during production.

In April 2021 we signed up to the European Union's Green Consumption Pledge and set ourselves the target of doubling the number of sustainable products in our product range by the end of 2023. The basis year for this is 2020, when we had about 1,000 sustainable products in our stores and online shops. We already exceeded this target in financial year 2021/22 and currently offer our customers about 3,200 sustainable products. This are spread over 25 product categories, including refrigerators, washing machines, ovens and dishwashers in the large domestic appliances category and vacuum cleaners and coffee machines in the small home appliances group. In terms of IT hardware, our range includes sustainable printers, PCs, laptops and computer accessories, smart phones and tablets.

Despite already exceeding this goal (and in fact because we have exceeded it), we will continue to increase this figure and steadily expand our product range to include even more sustainable products.







Easy to find: The BetterWay

To help customers quickly and clearly identify our sustainable products and services, since financial year 2021/22 we have labelled them with our own logo: BetterWay.

So what qualifies a product for the BetterWay logo? To be labelled as such, the product from our range must either to be confirmed as sustainable by a certification authority ahead of time or meet the criteria of an independent inspection organization. These third parties establish sustainability criteria for various product categories and inspect whether products meet the applicable requirements, such as responsible production, the materials used, energy efficiency, CO2 emissions and recyclability. In the financial year 2021/22, products were stamped with the BetterWay logo if they received a certificate in accordance with DIN ISO 14024 from Blauer Engel, TCO Certified or EPEAT or met the sustainability criteria of top-ten websites

(topten.eu, EcoTopTen.de, topten.ch, topprodukte.at, eurotopten.es, topten. pt, topten.info.pl).

We identify products suitable for the logo in our product data systems by comparing our product range to the databases of inspection organizations and certifying bodies each month using automated data exchange mechanisms. This also helps us ensure that our customers have up-to-date sustainability information on the products at all times.

We further expanded collaboration with these inspection organizations and certifying bodies in financial year 2021/22. In addition, we regularly review the product labelling methods used. For the use of our BetterWay logo at product level, we are also committed to continual dialogue with manufacturers to promote our high environmental and social standards while also

accounting for additional sustainability aspects.

We began labelling sustainable products using BetterWay in January 2022. Starting with Germany, we gradually introduced the BetterWay logo in almost all countries as a marker of our sustainability activities. The initiative was in place at almost all country organizations as of the end of the financial year 2021/22. Betterway will be launched in Italy at the start of 2023.

CECONOMY Sustainability Report 2021/22 Governance Environment

How do our customers find the sustainable products?

In store

In our stores, customers can find it on the electronic price tags – known as electronic shelf labels – and other materials such as stickers on the products, BetterWay green add-ons under the shelf labels (known as downers) and display stands point them towards a sustainable shopping experience.

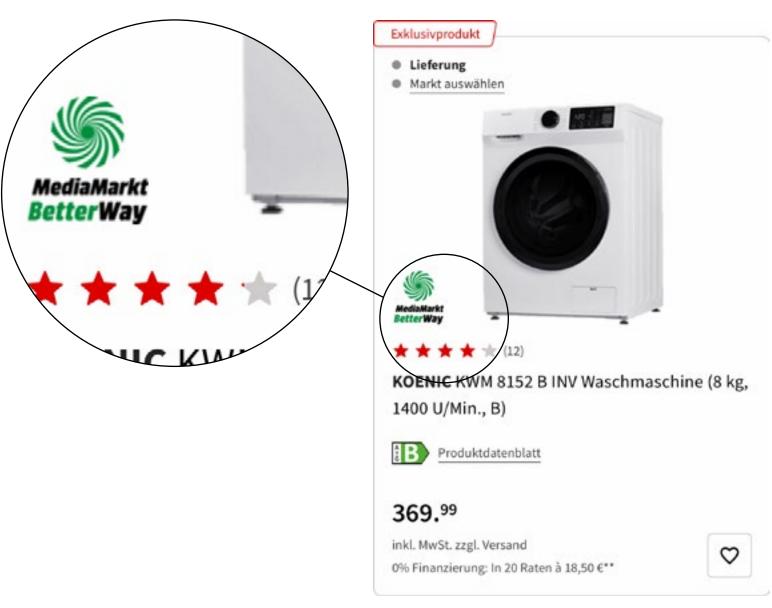
Online shop

In our online shops, we show the BetterWay logo on the product search and product details pages right next to the picture of the product. On the details page, our customers can click on the logo to open a pop-up showing the key information on the item's sustainability.

We aim to make product sustainability as clear and simple for our customers as possible. This is why, in financial year 2021/22, we worked with an independent inspection service provider to review the display and presentation of BetterWay and its criteria to simplify and optimize it. Optimization opportunities were utilized in financial year 2022/23.

Society





We also want to increasingly offer own-brand sustainable products. We established three focus areas here in financial year 2021/22: Firstly, we assessed the sustainability of our own-brand products – using the same sustainability criteria that we apply to all other products. Secondly, we focused on optimization and thus on avoiding packaging materials. As well as the sustainability assessment of the product itself, this is a crucial environmental factor. We made considerable progress here in financial year 2021/22. Thirdly, we recorded CO2 emissions from the production and life cycle of own-brand products. By doing so, we can identify the main drivers of emissions and establish effective measures to reduce these.

Governance Environment Society

Achieving greater sustainability with a little advice

After responsible purchasing comes responsible use. When a product is delivered or picked up by a customer, it enters the next phase of its life. We help our customers use their appliances as sustainably as possible. Depending on the product category, this raises many questions: What's up with the eco programme on washing machines and dishwashers? Why do I need to regularly clean the filter in my washing machine? And where do vegetables stay fresh for longest in the fridge?

We provide answers to these questions when giving purchase advice, where our employees in store can tell customers how to use our products efficiently and in a way that conserves resources. Customers can also access this information in the online shop. Themed website pages and our brand magazines **MediaMagazin** » and **TurnOn** » also contain simple, day-to-day tips and more detailed articles on how customers can play a role in sustainable consumption and help extend product lifetime.

At several country organizations, we introduced themed weeks where we provided customers with detailed information on individual sustainability issues. For example, we launched a major energy saving campaign in Germany in September 2022, featuring a central information page in our online shops and videos and live shows with tips and background information on reducing energy usage.

Other events in Germany included producing and live-streaming our own SATURN sustainability show. In this show, we discussed our commitment to sustainability and, together with internal and external experts, the backdrop of sustainable consumption and use of electronics products.

Since March 2021, we have supported our customers by expanding our range of information and advice on offer about the energy efficiency classes for electrical devices, the new EU energy label and any transition periods (for example the transition period for moving to the new energy efficiency class scale from A to G for lighting ends on 28 February 2023).



The right category makes the difference

Entire product groups, not just a single product, can make a lasting difference. Take kettles, for example: it is more sustainable to use a kettle for a cup of tea. It takes less energy to boil up to two litres of water than it would in a pan (with or without a lid) on a standard hob. Or consider making a portion of chips, where an air fryer is better than using the oven. They are more energy efficient and the end result is also healthier. Working alongside an independent inspection service provider, we investigated and evaluated these cases as part of a joint project. This is not only about the sustainable properties of a certain product, it also relates to the advantages of a product category when used sustainably. This is another way we intend to keep our customers informed and show them how simple it is to lead a sustainable life.

We assess sustainable product categories on the basis of four of the UN's Sustainable Development Goals – SDG 3 (Good health and wellbeing), SDG 4 (Quality education), SDG 7 (Affordable and clean energy) and SDG 12 (Responsible consumption and production).

If a category meets one or more than one of these specifications, it contributes to a more sustainable lifestyle. We will communicate this concept of sustainable product categories even more effectively to our customers in the next financial year.

A new approach. Regulatory requirements are another area where we do not simply wait for new laws to be passed. Instead, we attempt to identify the changes that are needed ahead of time. In particular, we monitor the targets of the European Commission's Sustainable Products initiative (SPI), changes under the Ecodesign Directive and the activities of the "right to repair" initiative, both at EU level and under local law in the countries. We get involved as early as we can and work together with retail associations to help shape amendments to legislation.

We evaluated our product categories according to their contribution to these four goals:



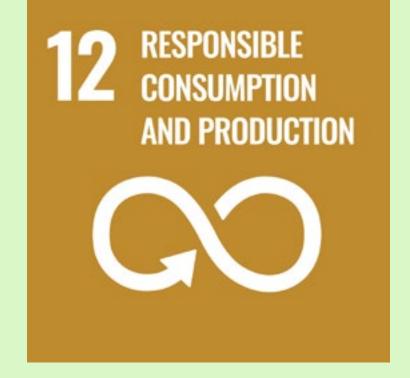
SDG 3: Does the product category promote a healthy lifestyle and well-being?



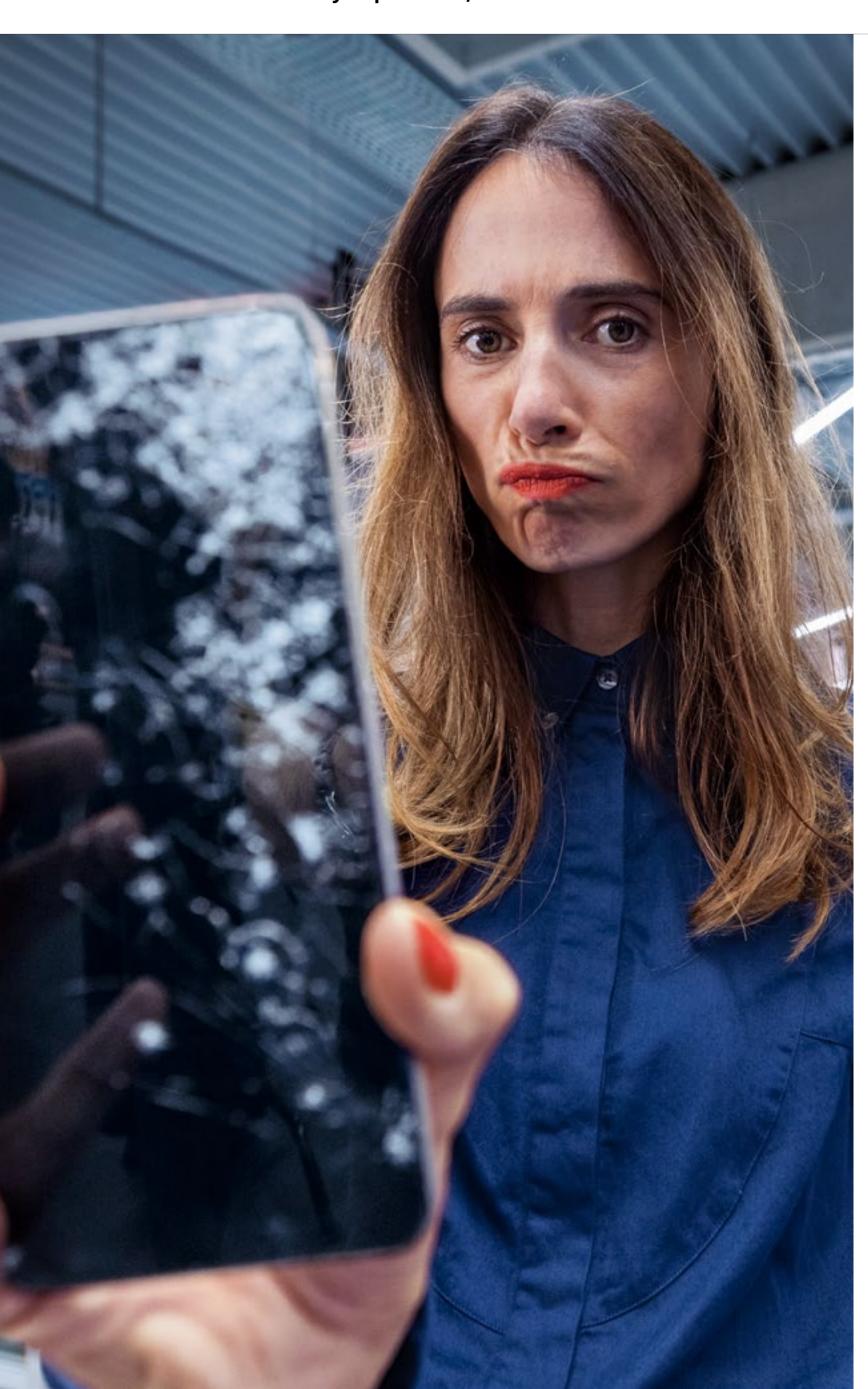
SDG 4: Does the product category support inclusive and equitable high-quality education and lifelong learning opportunities for all?



SDG 7: Does the product category support access to sustainable and modern energy (e.g. solar)?



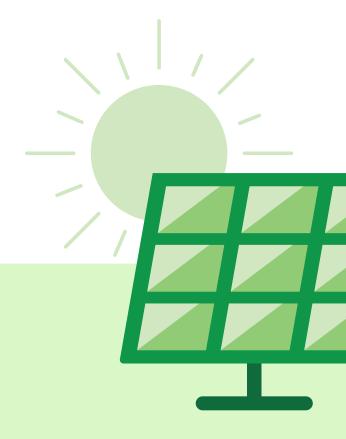
SDG 12: Does the product category support sustainable consumption, conserve resources and reduce carbon emissions?



Sustainable Services

We believe that our innovative product solutions and service concepts make sustainable consumption possible and so we are passionate about making advances in this area. We are guided here by the vision of a circular economy. Some of the services offered already help extend product lifetime through maintenance and repairs or properly recycle products at the end of their lifecycle.

We also offer our customers an at-home technical and advice service. This is provided in Germany by our subsidiary Deutsche Technikberatung and internationally by various service partners. In a successful pilot project, Deutsche Technikberatung showed that its remote service can be used to help customers find a quick solution to suspected product damage so that they can continue using their device and avoid journeys to workshops. As well as this individual service, Deutsche Technikberatung also organizes webinars and, as part of another pilot project, seminars in our stores. For example, we've already heard that sometimes the problem is sometimes sitting in front of the device – media literacy.



Sale of renewable energy

We want to help make a fully sustainable lifestyle possible. This also includes supplying green energy. Customers in four countries can already enter into 100 per cent renewable energy contracts with external service providers, both in store and online. More than 230,000 contracts were concluded in financial year 2021/22. In addition, our range includes solar panels and balcony power units.

Better to repair than throw away

Repairs are especially important to us. We offer a particularly broad range of services here, as repairs are how we can significantly extend the lifespan of products and reduce the use of valuable resources. Customers can hand in defective appliances or those in need of maintenance to all of our stores to be repaired.

All stores of our country organizations have a SmartBar and an after sales service desk in the entrance area. At these SmartBars, our in-house technicians repair customers' mobile phones and also offer many innovative services, from on-the-spot repairs to display protection and extended warranties. To further consolidate our circular economy approach, in the future the SmartBars are also intended as a central point of contact for other services that help extend products' lifespans and conserve resources. These include

All the benefits without ownership: Product rental

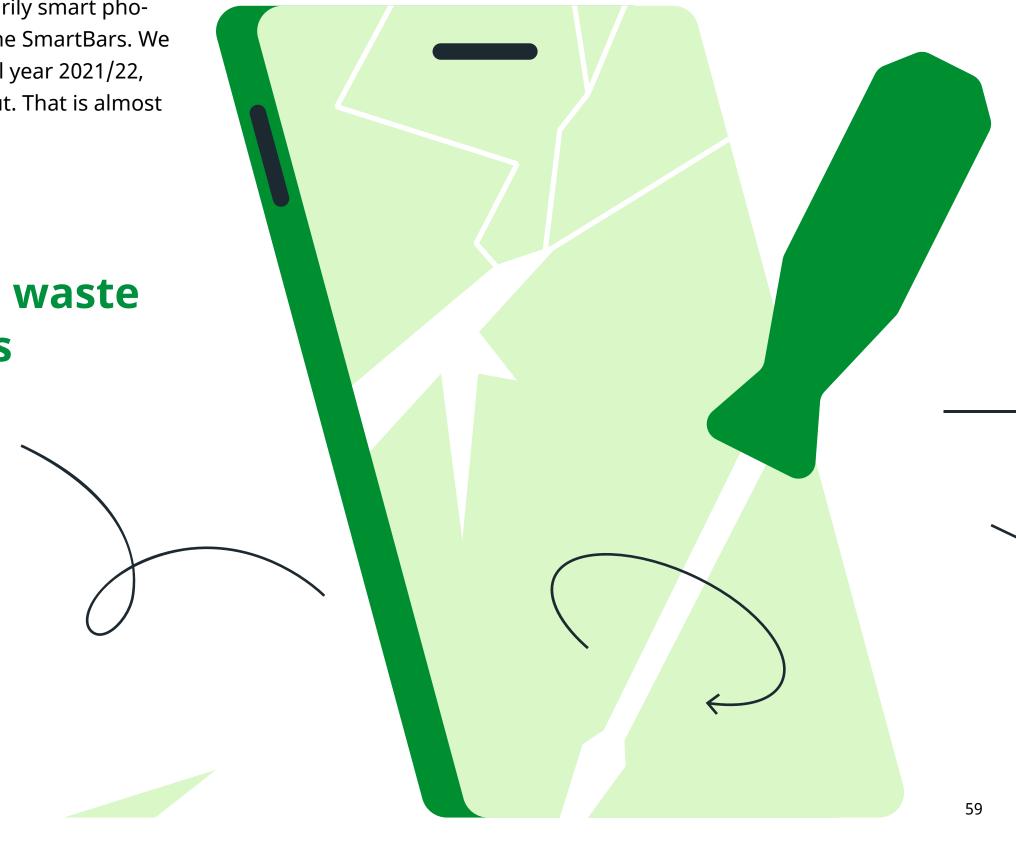
In collaboration with external providers, we also offer our customers the option to rent products and pay monthly instalments instead of buying them. This also helps ensure sustainable technology consumption as we refurbish the products after they have been returned and reuse them. Reuse, don't throw away, is the motto.

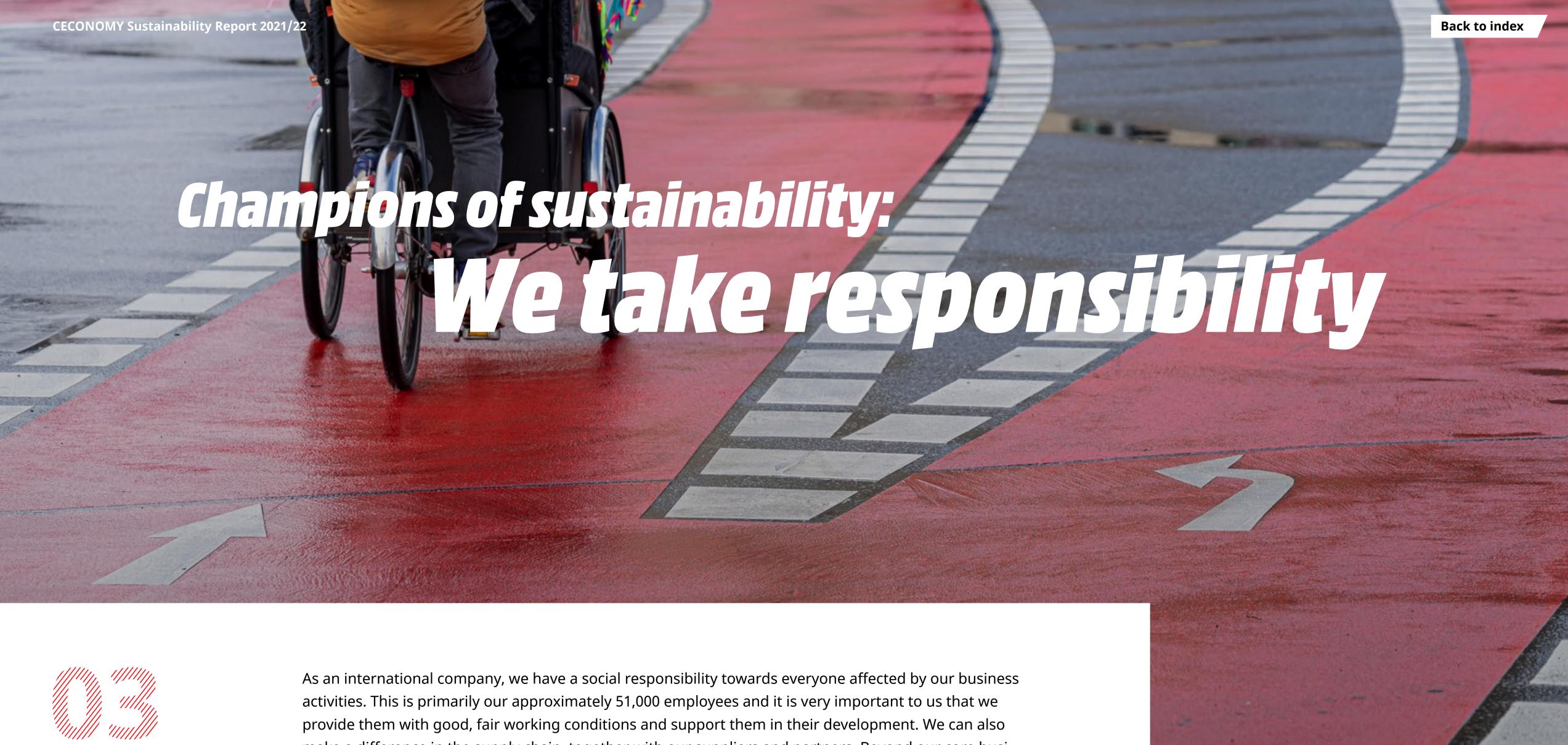
software services, printing and calibration, replacement parts services, service acceptance and e-scooter repairs. While our customers can take their devices away with them again straight way at the SmartBar, the after sales service desk processes any repairs required with the manufacturers' workshop or selected repair service providers.turms!

We repaired just under 3.2 million appliances in financial year 2021/22. Our customers handed in more than 2.6 million of them to our stores. Through our own repair workshops in Spain, the Netherlands and Germany, we were able to repair more than 7 per cent of these appliances ourselves. This puts the in-house repair rate for these countries at 23 per cent, meaning that almost one in every four repairs were carried out in our own workshops. The remaining more than 550,000 appliances are devices (primarily smart phones) that we repaired on the spot and on the same day at the SmartBars. We reduced electronic waste by almost 8,700 tonnes in financial year 2021/22, as the products remained in use instead of being thrown out. That is almost the weight of the Eiffel Tower!



We reduced electronic waste by almost 8,700 tonnes through repairs





make a difference in the supply chain, together with our suppliers and partners. Beyond our core business, we are also involved in social and cultural activities at all locations. Responsible and sustainable.



Fair and responsible business: The key to success



Our approximately 51,000 colleagues make electronics come alive

We aspire to provide "experience electronics". Our goal is to make electronics and digitalization come alive for our customers across all channels. We want to be consistent, excellent and engaging. Our around 51,000 employees are a key factor to success here. We place considerable value on fair and responsible working conditions, occupational safety and health management. As well as diversity among our workforce, we believe that helping our employees develop and providing support is crucial to our long-term business success.

Overall responsibility lies with our Chief Executive Officer, who has the role of Labour Director. Our Chief Human Resources Officer is a member of the Executive Committee at MediaMarktSaturn and is responsible for the Group's various HR functions. He reports directly to our CEO. We also present central decisions and project successes in the Executive Committee, where these are also approved.

Relevant GRI codes: 103-1, 103-2, 401 (management approach)

¹Unless stated otherwise, the key figures for employees do not include trainees or students.

Human Resources manages all strategic HR issues and supports the HR departments at our country organizations and subsidiaries through regular, close dialogue. Our "HR Steering Committee" is another important committee. It helps us better network HR issues with corporate strategy and more effectively advance HR projects.

Competition for talented employees is increasingly fierce, presenting major challenges for retail and technology-driven companies in particular. To take pole position here, we have established specific programmes for issues relating to competition such as digitalization and customer and service focus and so we offer our employees extensive continuing professional development programmes. These comprise training covering product and service expertise required in the sector and other programmes that improve personal soft and hard skills that are essential to the employee's own personal and career progression.

At the same time, our focus also remains on another crucial development: our own development as a company. For this reason, we carry out two detailed employee surveys in each financial year as a way of collecting open feedback on our performance as an employer so that we can continue to improve.

Employee development and talent management

We encourage life-long learning among our employees and want them to constantly refine their skills. This is one way we tackle the challenges we face in retail and secure our ongoing growth. In addition, our systematic employee development also demonstrates that we are an attractive employer, ensuring that we can remain successful in an environment of increasing competition for talented employees.

Our HR department and executives from all countries sat down in the last financial year to revise our values and make changes to our corporate and management principles. As part of this, they also established a new principle: strengthen cooperation and break down silos. The new, expanded guidelines have been the basis of all employee development and talent programmes since this year. In Spain alone, we implemented numerous measures to bring the new guidelines to life, adopting a kind of in-house "Erasmus programme" to improve collaboration. All employees at the Spanish headquarters spend three days working in another team, before reporting back to their colleagues. We also achieve greater transparency through a new newsletter, where the Spanish CEO reports on the most important miles-

tones and successes every month. At many locations, employees also have the opportunity to talk directly with senior management and make their own suggestions. These meetings are particularly popular among our staff.

Passionate about our customers

Once again, one focus area of personnel development in the last financial year was our Group-wide strategic programme "Passion4Customer". This initiative helps our colleagues in every country put customer experience at the heart of what they do. Despite restrictions due to the pandemic, the programme has now been rolled out. Feedback from our employees so far has been that the quality of the measure is very high.

In addition to these central initiatives, we also promote bespoke continuing professional development for young talent, specialists and executives in our countries. One excellent example of a country initiative is the Turkish "Leaders of tomorrow" programme. In Poland and Germany, we also run a special programme for our prospective store managers. Using webinars and in-person training sessions, we assist their induction into the new management role over several months. The training programme in Germany has been successful for many years and is updated every year.

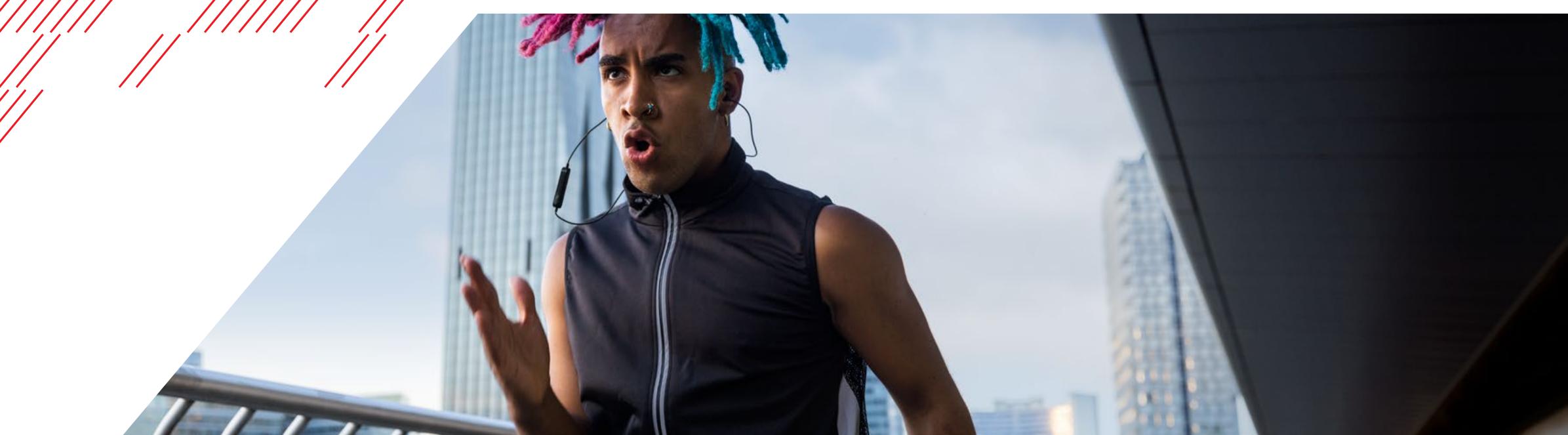
Relevant GRI codes: 404-2

Internationally, we have built up a pool of talented employees who we are preparing for their next management role in a nine-month learning journey. This involves leadership and cultural topics, as well as indirect training such as coaching and mentoring. The next group of participants is about to be selected. We take gender equality into particular consideration here. In parallel, we also launched the same programme with a regional group of German sales managers.

So that our experienced executives can also perform the important task of developing talent themselves, for example, our "Passion4Customer" programme also includes a "train-the-trainer" approach. They can then also apply the didactic skills learnt to other areas of employee development. However, our focus of course extends beyond our executives of tomorrow to our executives of today. We are introducing four new initiatives for their ongoing development in the next year. Our senior managers will have two additional development modules at our German stores. In addition, we revised our annual feedback process and developed e-learning sessions, short videos and workshops that were initially put into practice at our headquar-

ters in Ingolstadt. These tools and an internationally harmonized feedback template are now being rolled out across all locations.

Another building block of our talent development and cultural change is the net promoter people survey (NPP) of our employees that we carry out twice a year. Based on the results of the survey, we can assess our appeal as an employer ("employer value proposition"). Following this, we run focus groups to establish specific measures which we then use as a yardstick in subsequent surveys. We also offer relevant training to ensure that all executives are able to properly evaluate and apply the results.



Based on the findings of recent surveys, we launched a whole rafter of initiatives in financial year 2021/22:

- On tour: In the Netherlands, we held a roadshow to improve communication. The national top management at all Dutch stores presented the NPP results, our strategy and specific measures and spoke directly to employees.
- // In Switzerland, we bolstered communication by way of monthly "townhall" meetings.
- // In Poland, we established "cooperative consulting" cross-divisional collaboration and advice in project groups that helped us break up silos in how we act and think.
- // In Sweden, a new executive development programme is improving feedback and contributing to modern leadership in a hybrid working environment.
- // In Germany, we offer all employees an extensive academy programme that they can either sign up to themselves or be recommended for.
- // In Italy, we improved the "Lunch with the CEO" format, as well as communication and employee recognition.

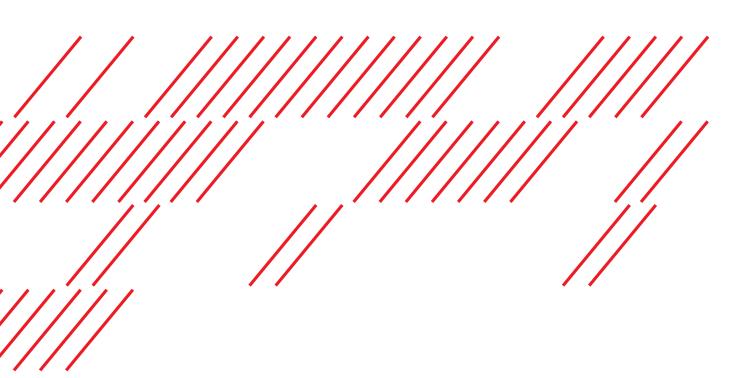
Extensive use is made of the wider range of online learning in all countries on account of the COVID-19 pandemic. We also offer training on technical and management issues on our company-wide e-learning platform. In addition, regular events for all employees are also held on our digital communication platforms, such as the "Learn & lead" format for executives in Germany. Overall, the average employee training duration in the financial year 2021/22 was 1.8 days.



In recent years, our Italian country organization has set a standard of its own based on the idea of lifelong learning: as part of the "Memphis" programme, colleagues can put together their own personal learning path. Corporate targets and own employee wishes are combined in six areas, from innovation to internationality, and put into place with specific tools such as mentoring or on-the-job training. We even developed an own piece of artwork for this programme. The stylish look is also reflected in individual flash cards, which provide an additional incentive for employees to work on their own development.



Our employees spend an average of 1.8 days a year participating in training



We have received multiple awards for our diverse range of development opportunities: The Austrian country organization this year received the "Vienna seal of quality" as a top teaching facility for 2023 to 2027. The Turkish country organization made the podium twice. It came first in the G50 Turkey Youth Index and third in the Top Talent Award in the "Best Talent Programme" category for the retail sector.

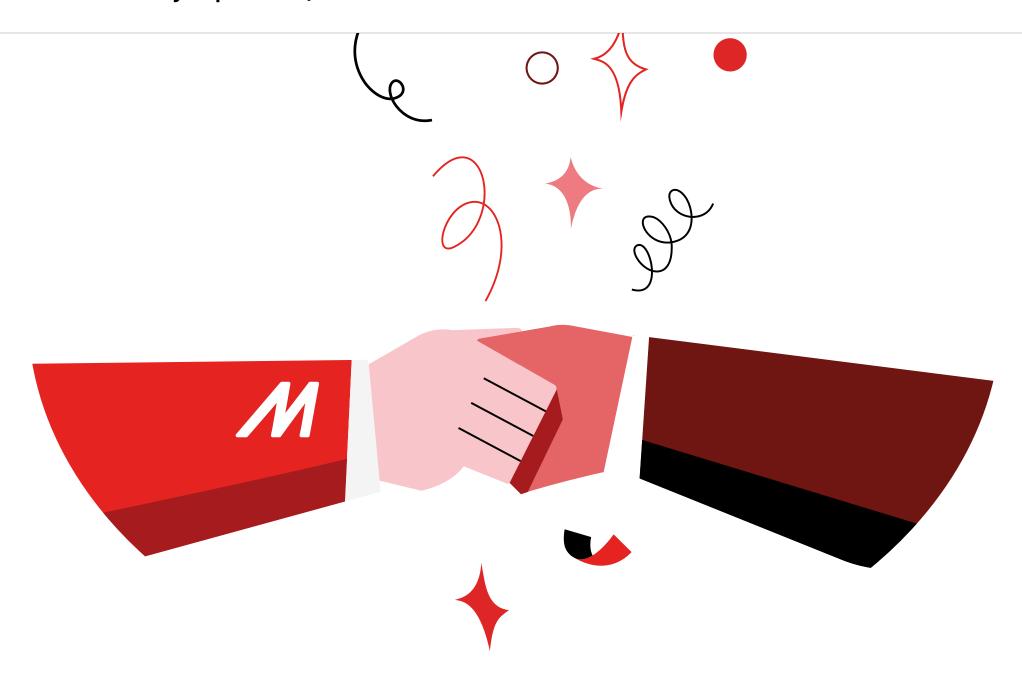
It is important to us to bolster our employees' dedication. In the current financial year, we therefore compiled a list of internationally successful employee development projects and presented them in the style of the Oscars in Hungary. Projects were selected based on the employee survey.

For larger projects, we do not merely inform our colleagues of the latest developments, we actively involve them. One example is our internal "Omnichannel Spine" transformation project, where we recorded team-specific requirements and involved executives in the development process. Above all, however, we use project milestones to celebrate shared successes and thank our colleagues for their work.

We want to put our talent acquisition on a strategic footing. To do so, we have tested and now successfully implemented various instruments. One of these is our employee referral program in Germany. In this way, we ensure that our employees are able to approach suitable candidates and at the same time keep these colleagues at our company. We can apply these nationally successful concepts internationally. In addition, we successfully launched the international application tracking system "SAP myRecruiting" in Germany, Poland, Spain, Portugal and Italy. The other country organizations will follow shortly.

We are gradually implementing further system optimizations to make the application process more user friendly.





Fair hiring: Responsible working conditions

Good and fair working conditions for our employees are particularly important to us, as is high employee satisfaction. We hire our colleagues exclusively on the basis of applicable agreements and laws. Responsible conduct when it comes to human rights goes without saying for our company.

We uphold the United Nations' "Guiding Principles on Business and Human Rights", the "International Bill of Human Rights" charter and the International Labour Organization (ILO)'s "Declaration on Fundamental Principles and Rights at Work". Responsibility for this lies with the managing directors, both for the overall organization and for the individual stores. In day-to-day business, this responsibility takes the form of a number of measures:

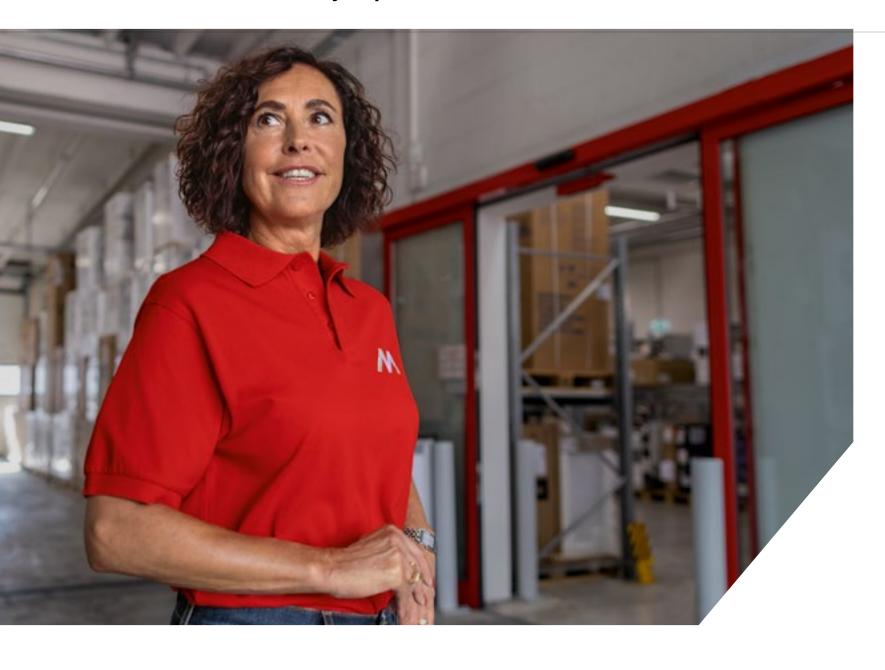
- We adopted a Code of Conduct that covers many issues such as anti-discrimination and the correct handling of personal data.
- We implemented the amendments to the Nachweisgesetz (German Law on notification of conditions governing an employment relationship) that came into effect in Germany on 1 August 2022 quickly and in good time. This way, we ensure that we notify our employees of the material conditions of a contract.
- // At many stages, such as recruiting, we apply the dual-control principle to protect employees and applicants from any potential arbitrary actions of individuals.
- // If our employees experience or hear of about any violations, they can contact their superior. Alternatively, they can use an anonymous reporting system that initiates a structured clarification process.

We are a member of the retail association. In this function, we work on various committees to help design and develop working conditions for our sector, in particular regarding collective bargaining agreements

Our Chief Compliance Officer is the central point of contact for these issues. Together with his team, the officer constantly develops our standards and measures and ensures that they are met.

Further information can be found in the **Corporate Governance** » section.

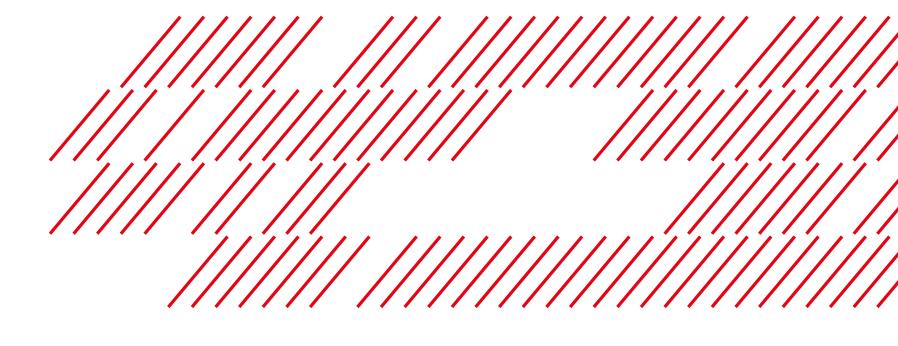
One important tool for offering our employees a safe and attractive working environment is our employee survey (NPP) that we carry out twice a year. In our performance dialogue, all colleagues have an opportunity to speak directly to their manger and plan their further development together. **CECONOMY Sustainability Report 2021/22**



Workers' rights

It goes without saying that we uphold workers' rights and comply with all laws, collective bargaining agreements and works agreements. In Germany, 80.46 per cent of our employees had a collective bargaining agreement as of 30 September 2022. This includes not only appropriate remuneration and working hours, but also measures to combat forced and child labour and human trafficking.

All our employees have the right to freedom of association. This is also expressly outlined in our Code of Conduct. The regular Works Council elections were held in Germany in spring 2022 and it is planned to elect new delegates for the Euro Forum (European Works Council) at the start of 2023. A company announcement dated 9 August 2022 initiated the election of the employee representatives for our Supervisory Board and an election committee was formed. The delegates meeting is expected to be held in January/February 2023.



Employer/Employee relationship

Cooperation based on trust and open dialogue with the selected employee representatives is important to us. We encourage open dialogue between our employees or their representatives and our management at different levels. What's more, we encourage our executives to create an open, trust-based working environment where all colleagues can share their ideas and concerns. By doing so, we have established good communication between our Management Board and the management bodies of our Group companies and the employee representatives, with various forms of regular dialogue.

We apply the principles of fair working conditions and social partnership to all of our activities. We regularly keep our employees and employee representatives informed of our business, collect their feedback and observe codetermination rights.

Share of employees with a collective bargaining agreement in Germany (as of 30 September 2022):

80,46%

Euro Forum meetings were held with our employer and employee representatives on 14 and 15 June 2022. As the employer, we presented business figures, our strategy refresh, corporate and management principles, the results of the 2022 employee survey, our gender diversity initiative and the "Omnichannel Spine" transformation project. Negotiations also began on a new agreement and communication concept for the Euro Forum, which we will complete soon. Follow-up events are already planned.

All good things come in fours: At the Saturn and MediaMarkt works council conferences, which are held four times a year, we present and discuss current issues in our role as employer. After holding the first events in 2022 online on account of the pandemic, we were for the first time able to hold Saturn's works council conferences in person in July and September 2022. Our focus for the new calendar year is on expanding this format for cross-company dialogue between the employee representatives of the Group companies. An initial test event for a cross-company dialogue between the Works Council chair of the German country organization and our Management Board and selected representatives took place in July 2022.



Work-life balance

Enabling employees to balance their career and family lives is also an important issue for us. Where possible, we therefore offer our employees flexible working time models and, in the administrative units, mobile working regulations. Not every job allows for flexible work to the

same extent. Nevertheless, our goal is for all colleagues – whether they work in a store or in administration – to be able to combine their private lives and their career as best possible. To ensure this, we have developed the following measures:

- // Since 2010, we have operated a strategic HR policy that takes account of family considerations and different life stages by way of the "berufundfamilie" audit. After the second successful dialogue procedure, the certificate was confirmed for two of our subsidiaries on 31 May 2022.
- // At headquarters, we provide childcare in the summer holidays and on the "Buß- und Bettag" public holiday.
- // We are a member of "Mobile Familie e.V.", through which advice and child care is free of charge for employees in Ingolstadt.
- // We provide financial assistance for holiday care by the "Ingolstadt Bündnis für Familie" alliance.

- // Expecting parents in our administrative units can attend the monthly "Becoming a parent at MediaMarktSaturn" event, which provides considerable information on everything from legal provisions to returning to work.
- We support our employees when they find themselves suddenly needing to provide care, something that presents a particular challenge for those in work. For this, we brought in care experts from WDS.care "partner for a work/ care balance". The WDS.eldercare programme, which provides support and mediation services, is available free of charge for our employees and their relatives.





Our part-time ratio is 31.2 per cent. 23.8 per cent of our employees in Germany work part-time, while internationally the figure is 36.5 per cent.

We are piloting a mobile work concept for the administrative locations in Germany until 30 September 2023. As part of this, we want to make it possible for most of our colleagues to work 50 per cent of their hours outside their company place of work. We developed guidelines to prepare them and their managers for hybrid work. Mobile work is also improving work-life balance in other countries. The share is determined individually for each country organization: In Switzerland, administrative employees can work remotely for up to 60 per cent of their working hours, falling to up to 20 per cent for executives. In Sweden, we passed a mobile work policy that allows employees to work 40 per cent of their hours outside their company place of work. Here, too, we trained our executives in "leadership in a hybrid working environment".

Employees working part-time in per cent



Thanks to our measures to promote a work-life balance, we positioned ourselves as an attractive employer internationally, with the Spanish country organization being named a "Great Place to Work" for the second time and the Turkish country organization receiving an award for being a top employer.



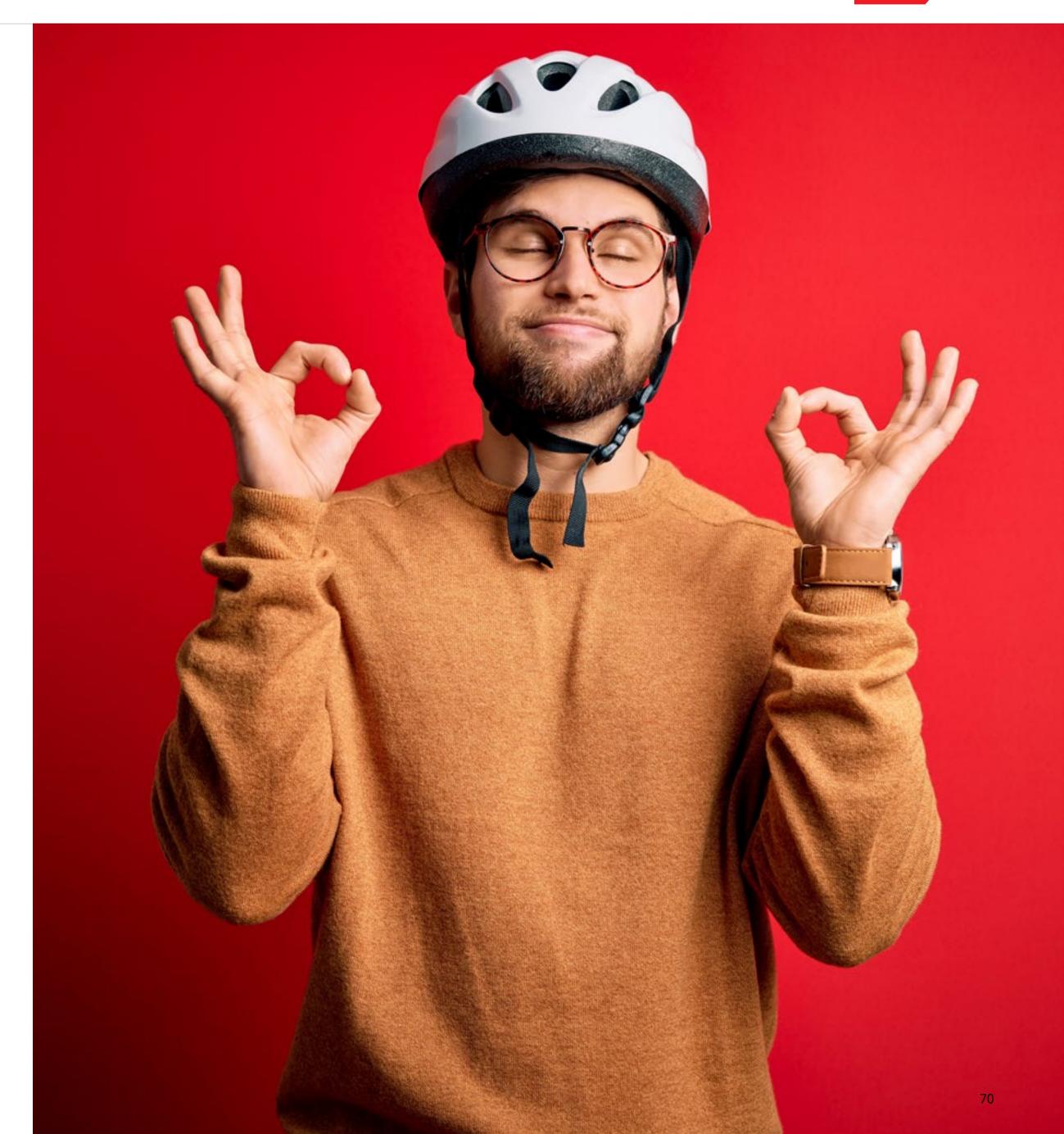
Occupational safety and health management

A safe, healthy workplace is vital, especially in our increasingly fast-paced and demanding world of work. We are thus constantly working on achieving high standards for our occupational health and safety. As part of this, we apply the EU Directive, which is enshrined under German law by the Arbeitsschutzgesetz (Occupational Health and Safety Act). We also meet other minimum standards based on our internal regulations.

Our occupational safety experts or external partner firms visit our administrative and operating locations and stores at regular intervals in order to identify work-related hazards at an early stage and minimize or, ideally, prevent risks. Together with management, they prepare or update detailed risk assessments after their visit. Our employee representatives, such as members of the Works Council and safety officers, attend regular Occupational Safety Committee meetings with our management, occupational safety expert and/or our company doctor. In the meeting minutes, we outline the occupational health and safety measures in place, as well as responsibilities and efficiency checks.

Coordinated communication between countries allows us to share the continuous improvement of general measures and best practices.

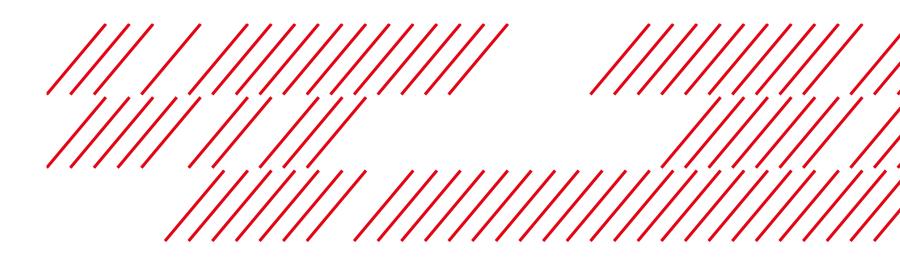
Employees can access occupational medical care and examinations exclusively by licensed company doctors during their working hours. Our colleagues can find more information on the intranet. Relative to specific stores, we also provide preventative health services such as flu and COVID-19 vaccinations, cooperation with gyms, corporate runs and health days. To ensure compliance with hygiene concepts introduced on account of the pandemic, we have internal checks carried out in stores by occupational safety experts or perform self checks. We have doubled the number of store visits compared to pre-pandemic levels. These visits were also included in the service providers' target agreements.



Our employees receive regular training on occupational health and safety and fire safety, either online or in person in the store. We hold the training sessions during working hours and adapt them according to the employee's function, for example for our warehouse staff. In addition, store-related training sessions are also held by managing directors or employees with additional qualifications, as well as evacuation drills. A central expert group regularly evaluates and amends the content of the training documents.

Notifications such as workplace accidents or fires in our stores and Group companies are followed up on by the departments responsible.

Our sickness-related absence rate rose to 4.18 per cent¹ in financial year 2021/22 (2020/21: 3.0 per cent) due to short-time work as a result of the pandemic).





Occupational health promotion – My health

As a responsible employer, it is our duty to consistently promote our employees' health and make it a permanent feature of our organization. We offer a wide range of measures for a healthy workplace and support health-promoting habits among our colleagues. These include preventative measures such as stress reduction programmes and initiatives to encourage more movement and healthy eating. Many of these preventative programmes can be used directly at our administrative locations or in our stores. We also work with gyms and health insurance companies, including AOK Gesundheitskasse and Audi BKK.

Relevant GRI codes: 403-6

¹ This figure includes paid absences due to illness. Absences due to occupational accidents and accidents while commuting are not included.

Since May 2022 we have offered the subsidized company programme "Qualitrain" in Germany, an extensive fitness offer that is enjoyed by our employees. 1,250 colleagues had already signed up as of September 2022. "Qualitrain" allows them to sign up for activities at more than 6,000 partners across Germany, such as gyms, swimming pools, climbing gyms, yoga studios and EMS. They also have access to almost 2,000 online and 100 live classes, as well as a nutrition app and an app focusing on improving resilience and mindfulness. We initially purchased "Qualitrain" for one year at a flat rate.

To complement this, in the future we aim to provide health initiatives together with our cooperation partner DAK. Our employees and executives are made aware of issues through small campaigns in our German stores and administrative locations. These campaigns are free of charge. To prevent neck or back tension that is so common among office workers, our colleagues at the German administrative locations can also use the health app HUMANOO at no charge. The app provides tailored exercises and holistic digital health management. We also support our executives' health care as part of a cooperation (with the Helios Prevention Center, the Munich Center for Preventive Medicine and DZF Diagnostikzentrum Fleetinsel). One particularly important service here is the health check-up, which can be accessed every two years. This service is aimed at all store managers and executives in the Group companies.

We want to promote the health and wellbeing of our employees in the long term. Accordingly, mindfulness and mental health at work are a fixed feature of our company, from training our young talented employees all the way up to executive development. For our administrative locations in Ingolstadt and Munich, we also offer yoga classes and talks on mindfulness and nutrition through our comprehensive "My health" programme. Given the high demand, we have already arranged for an additional yoga class. The costs are covered by our partner health insurance companies. We also arranged for the "Active break, movement at work" initiative for the second time. This programme, which encourages more movement and mindfulness, is offered once a week and lasts for 15 minutes. We also offer other formats for issues related to resilience, mindfulness and stress management, such as seminars and coaching.



Mindfulness and mental health at work are a fixed feature of our company





Diversity, inclusion and equal opportunities

With our Code of Conduct, we lay the foundations and increase awareness of diversity. It states that all MediaMarktSaturn employees are given the same opportunities, irrespective of their ethnic background, sexual identity, any disabilities or their religion or ideology.

Our customers are diverse and unique, and so we need colleagues who can also offer different perspectives and solutions. The more diverse the employees, the better the company. Or to be more precise, diversity shores up skills and knowledge, boosts innovation reputation and improves business decisions. Accordingly, promoting diversity is an important factor for our long-term success.

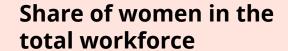
At the end of financial year 2021/22, staff were employed throughout the Group from

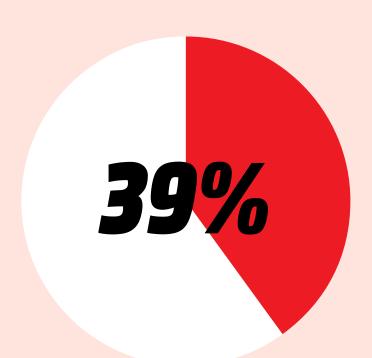
130 nations

We know that there are many facets to diversity. One of these is a person's background: At the end of financial year 2021/22, staff from 130 different countries (2020/21: 135) were employed throughout the Group.

We have set the goal of increasing the share of women in management positions in all Group companies in the long term. We laid the foundations for this in the last financial year, when we launched "Women in retail". This initiative made further progress in financial year 2021/22 and was rolled out in all country organizations.

Share of women at CECONOMY 2021/22

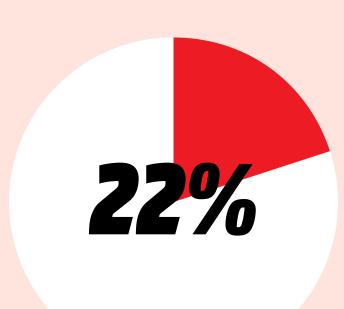




2019/20: 39%

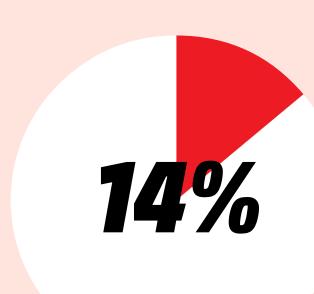
2020/21: 39%

Share of women in management positions



2019/20: 19% 2020/21: 20%

Share of women at the first two management levels

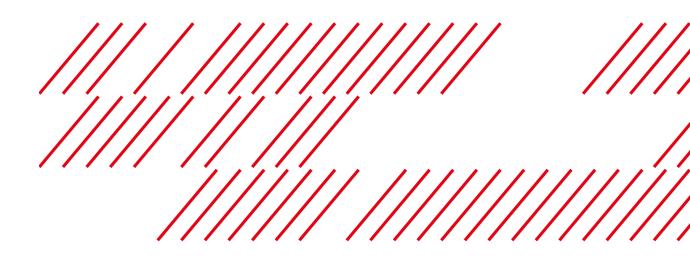


(including senior executives)

"Women in Retail" covers many tangible measures. We again further expanded and fostered national and international internal networks through our "female leadership lunches" and best practice meetings. We launched young talent programmes and initiatives to promote female employees. Many additional measures were implemented in the country organizations based on local requirements and focuses. The goal of these is to specifically empower women and address prevailing stereotypes about women held by all employees. For example, the Turkish country organization arranged diversity trainings with male market leaders to improve awareness of female stereotypes. Mentoring programmes were established to support female employees' career development, including in Germany. Our aim here is to make our female colleagues more visible and build up effective networks. We successfully piloted the programme and will continue to expand it over the year ahead. In Spain, we boosted the share of women by making changes to our hiring process. In

addition, we continued our collaboration with the ESADE Business School, a central component of which is a programme that focusses exclusively on the development of female executives.

At our first two management levels (including senior executives), the share of women at the end of the financial year came to 13.9 per cent overall, 8.5 per cent of whom are at the first management level (level 1) and 14.2 per cent at the second management (level 2). Overall, the share of female employees in management positions is 21.9 per cent (levels 1 to 3). They account for 39.3 per cent of our total workforce.



Holistic through and through

Over the next financial year, we want to take a holistic approach to diversity and inclusion. As well as additional measures to increase the share of women across all hierarchy levels, we also have many other plans: we are continuing to refine our diversity and inclusion strategy and examining all processes at our company. We will arrange workshops and e-learning formats on issues such as unconscious bias, firstly for executives and then for all employees. In addition, our new anti-discrimination policy is due to be passed in the next financial year. This also serves as the basis for our awareness campaign "sexual harassment and discrimination at work". To raise awareness of diversity, however, we have also planned many other internal formats and are already working on numerous events to mark Diversity Day 2023. In terms of the promotion of women, we are continuing our successful formats and taking them to a new level. Examples of these formats include presenting female role models and talks by external female speakers. Our after work event to build up networks and own visibility is another success story and was very well received by our female colleagues



Well received: Our sustainable supply chain

Sustainability in supplier management is a key component of our sustainability strategy. We want to make a positive contribution to wellbeing. It goes without saying that we respect the labour and human rights of everyone affected by our business activities. But we go further still: we consider it our duty to actively help protect these rights through our own actions. We apply this standard to our own colleagues, but also support our suppliers and partners in protecting human rights

Overall responsibility for our sustainable supply chain lies with our CEO. To put this into practice, the departments at our company headquarters work closely with the country organizations' purchasing departments. .

The foundation and framework for our corporate culture and business activities are formed by globally accepted standards and agreements. Furthermore, we are committed to the principles of the UN Global Compact and signed the Diversity Charter in 2018. As a result, we espouse diversity and equality at our company. As a member of the Responsible Business Alliance (RBA), we – like other leading companies in the electronics sector – look to industry-wide requirements and are committed to the responsible standards of the RBA Code of Conduct. This means that we campaign for uniform standards for social, ecological and ethical issues within the supply chain in order to improve the industry's supplier management in the long-term.

As an experience electronics retailer, we sell brand products from internationally renowned manufacturers and products from our own-brand company. We have relationships with suppliers for third-party products and services, which we procure directly and indirectly, and for our own brands.

Our goal is to implement all components of supplier management on the basis of a human rights due diligence process. To meet this due diligence requirement, in financial year 2021/22 we established a supplier-related risk management system and are now continuing to optimize this on an ongoing basis. We also account for the additional requirements of the German Act on Corporate Due Diligence in Supply Chains. To ensure a sound basis for this risk management, we carried out a systematic, comprehensive risk analysis of human rights and environmental aspects. As part of this, we identified priority risks in the supply chain, i.e. risks in our own business area, and risks for direct and indirect suppliers. In the future, we will conduct a comprehensive reassessment each year and on a case-by-case basis.

We also publish the risks we identify in our policy statement on human rights. This statement reflects the standards we set ourselves and our own value chain. As well as the risks, it also includes our human rights strategy and the procedure we have in place to meet our due diligence requirements. It provides assurance to employees, executives, business partners and other stakeholders about their actions and is the basis for processes, decisions and collaboration. In addition to the policy statement, our Code of Conduct and its company-wide values and obligations, which cover anti-discrimination and the protection of labour and social standards, also applies.



Violations of human rights can be reported anonymously at any time



To identify human rights risks and violations, we created a Group-wide whistleblowing system and further developed this in financial year 2021/22. Both our employees and third parties can use the system to anonymously report any suspected human rights violations, regardless of whether this violation occurred within our company or in the supply chain.

Further information on the whistleblowing system can be found in the **section on compliance** » or **here** ».

Sustainability in supplier management

We take a risk-based approach for due diligence compliance in our supply chain. Our goal for the end of financial year 2022/23 is to audit 100 per cent of our suppliers for compliance with labour laws and human rights or to have them externally rated. In the financial year 2021/22, we assessed the sustainability performance of manufacturers accounting for 43.8 per cent share of sales in the areas of the environment, labour law and human rights, sustainable procurement and ethics. We also accepted self-assessment questionnaires from the RBA, putting the share of sales generated with audited manufacturers at 48.8 per cent.

Where required, we establish measures for improvements and timetables together with our suppliers. This is also set out in our supplier contracts. We then use risk-based controls to ascertain the effectiveness of the measures implemented. If they do not result in any improvement, the supplier relationship may be suspended or even discontinued depending on an individual analysis.

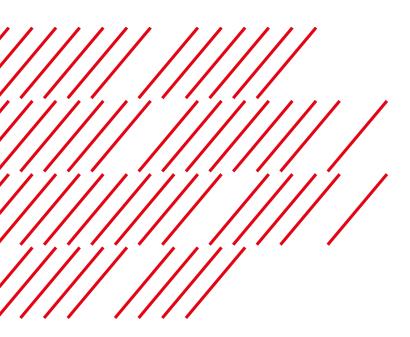


We want to audit all our suppliers for compliance with labour laws and human rights

48,8%

of our sales is made up of manufacturers that have been rated by an external agency on their human rights records

We want all business areas involved in the procurement process to have the information they need for their day-to-day work, which is why we developed sustainability training for all employees in the last financial year. These sessions address supply chain sustainability and explain how we our meet our standards. We also offer a more in-depth module for procurement areas to implement the German Act on Corporate Due Diligence in Supply Chains. In this module, we address the background and the necessary stages between procurement and suppliers. These training sessions must be completed in financial year 2022/23. We also aim to inform and train our suppliers ourselves, and have created a website to explain legal requirements to suppliers and share our own expectations and our support.



Supplier management for our own brands

As well as brand products, we also sell products from our own brands KOENIC, PEAQ and ISY. Our subsidiary Imtron GmbH is responsible for supplying the country organizations with these products centrally. It is in charge of its own supplier management here. One long-term goal is to continuously improve supplier sustainability. Long-standing business relationships are vital when it comes to supporting them in their progress: Imtron has worked with 59 per cent of active suppliers for more than five years (2021/22: 54 per cent, 2020/21: 44 per cent).

Since 2014, Imtron has been a member of amfori BSCI, which was founded to protect workers' rights in production facilities. The amfori BSCI Code of Conduct is based on Social Accountability International's SA8000 standard, the United Nations Universal Declaration of Human Rights, the UN Global Compact, the core labour standards of the International Labour Organisation and OECD directives. These give rise to the principles of amfori BSCI: the active manage-

ment of operational and environmental protection, health and safety at work, the fight against corruption and the general prohibition of child and forced labour. These principles are compiled in a Supplier Code of Conduct and are mandatory for Imtron, its suppliers and its business partners. This also requires all suppliers of our own-brand products to comply with sustainability requirements.

As a member of amfori BSCI, Imtron also undertakes to conduct regular audits of its production facilities. An amfori BSCI audit is considered successful if the production facility has at least scored a "D" grade. Out of our production facilities in what amfori BSCI considers risk countries, 98.8 per cent of the audits were successful.

Imtron regularly reports any improvements or deteriorations identified during the audits to its management. The aim here is to increase the tracking of audit results and cooperation with production facilities. The production facilities must meet certain requirements. Compliance with these requirements is monitored by internal data management that is constantly updated with audit data from the amfori BSCI database. These data are also stored in the Imtron procurement system, meaning that the associated production facilities and current audit result are saved for each product. This IT solutions allows Imtron to document compliance with its sustainability with a high level of transparency.

Imtron's supplier management system is based on its own procurement policy. This takes account of our CE-

CONOMY guidelines and applies for Imtron and its wholly owned subsidiaries Imtron Asia Hong Kong Limited, Imtron Electronics, S.L. in Spain and Imtron Italia S.R.L. in Italy. The policy establishes procurement processes and methods and sets minimum requirements for all products and goods-related services. For all active Imtron suppliers¹, the Supplier Code of Conduct based on the amfori BSCI Code is a mandatory component of all contracts in connection with products. 100 per cent of Imtron suppliers again pledged to uphold its provisions as of the end of the financial year 2021/22. In addition to the contractual obligations, the successful operation of the amfori BSCI social standard system is mandatory for each individual order and so this is separately reviewed and approved for each order. These obligations mean that Imtron's purchasing decisions are based not only on our sustainability requirements, they are also a fundamental approval requirement in the ordering process. This encourages a minimum standard for suppliers and secures a commitment from every manufacturer.

Relevant GRI codes: 102-9, 102-13, 103, 308-2, 414-2 ¹Business relationships within the past two years

Successful BSCI audits²

	2019/20	2020/21	2021/22
Number of suppliers audited (absolute)	122 of 126	131 of 135	158 of 160
Share of suppliers audited (in per cent)	96.8	97.0	98.8

² Successful social audits based on own imports (audits of all producers in defined risk countries in which Imtron manufactures imported goods, show the successful implementation of BSCI or an equivalent social standard system through an independent third-party certificate).

CECONOMY Sustainability Report 2021/22

Governance

Environment







We take responsibility – including beyond our core business. At national level, we are involved at our country organization locations. Locally, we are active in our stores and at our company headquarters in Ingolstadt.

Our "Corporate Citizenship" department manages our social commitment. Its role includes developing and implementing our corporate citizenship strategy, applying our Group-wide policy on donations, answering all external donation inquiries, advising Group companies regarding their national commitment and reporting on all of these activities to our Supervisory Board

each year. Through this department, we are also part of the corporate citizenship working group initiated by the specialist advice firm PHINEO gAG.

We completed the corporate citizenship strategy for MediaMarktSaturn in financial year 21/22, transforming our commitment – which has so far mainly been reactive – into active corporate citizenship. We will step up our focus and, in turn, achieve maximum impact in social issues. When it comes to our activities, we want to professionalize them, establish long-term, internationally scalable collaborations and measure their effects. In terms of

content, we have one focus here: digital participation. With our products, services and expertise, we can help offer people a life full of possibility. We want to make it possible for everybody to be a part of today's digital world. We provide access to technology and explain how to use it so that nobody is left behind. Our previous local involvement at our locations will be maintained, regardless of our focus on digital participation, and we will continue to provide support in emergencies. Regionally, we are focusing on countries in which our country organizations operate.

We increased our total donations by 78 per cent compared to the previous year in financial year 2021/22, with a particular focus on emergency aid to Ukraine. Across all country organizations, we donated money and products such as powerbanks, batteries, phones, charging cables and torches to national non-profit organizations. We also sponsored a charity football match in the first German Bundesliga and our German country organization organized a charity concert where attendees had the opportunity to make donations. In addition, our employees get involved in their personal lives in many countries: within the company infrastructure, our colleagues collected food, toiletries and clothes and donated them to various organizations on their own initiative.





As well as this emergency aid, our country organizations also supported various social organizations and projects.

The Italian country organization extend its partnership with Syx, which provides tech classes for girls, that it began in the last financial year. Through a cooperation with Samsung and the additional monetary donations that this entails, the number of courses increased further.

Our country organization in Poland supported the Friends of Children organization and the Institute for Positive Education foundation through donations in kind, providing webcams, projectors and screens. These were used to equip schools and day care centres for children for whom home schooling is not an option on account of their social situation.

The Austrian country organization donated money to the largest Austrian relief campaign "Light in the Dark" for the second time.

Our country organization in Germany launched a fundraising campaign where customers who traded in their old smartphone through our trade-in service could choose to donate the value of the device to the victims of the flooding disaster in the Ahr Valley.

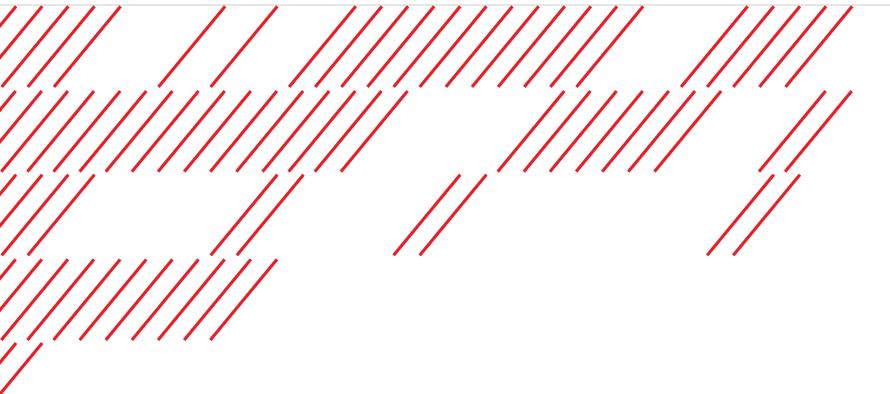
Social commitment is part of our company purpose not only at our country organizations, but also directly at our stores. In Germany alone, 41 store entities donated to local non-profit organizations, helping make their town or region a place worth living.

Home sweet home

Our social commitment is also deeply engrained at our headquarters in Ingolstadt. Here, we support sporting and cultural life through partnerships that we have developed over many years. These include the ERC Ingolstadt ice hockey club, the FC Ingolstadt football club and, in terms of cultural events, the Ingolstadt jazz days and the "Taktraumfestival" festival. The main feature of our social commitment in Ingolstadt is our tradition of employee donations: our colleagues donate to good causes as part of the annual Christmas tombola. Total donations are then doubled by the company. The money raised here is donated to non-profit organizations in the region proposed by employees. Our annual focus project this time was the "Digital for all" project organized by Offene Hilfen des Hollerhauses (Verein für körperund mehrfachbehinderte Menschen e.V.), which works to ensure that all disabled and non-disabled people in the region can participate in digital life. We donated the remaining employee donations in financial year 2020/21, which the company also doubled, to Sozialdienst Katholischer Frauen to build the media education centre in Ingolstadt.

Aside from our employee donations, we also supported other non-profit organizations in Ingolstadt. These include monetary donations to goals for kids e.V. to help disadvantaged children and young people, an initial donation in kind to the "Digital for all" project by Offene Hilfen des Hollerhauses and a monetary donation to the Ingenium Foundation for people with dementia to purchase a digital "Tovertafel". Last but not least, we are a partner of the city of Ingolstadt's prize awarded to young people for voluntary work in our region.





Outlook

Over the next financial year, we will systematically further develop and implement our sustainability strategy and the associated activities.

Even today, we are already successfully making progress on a wide range of sustainability projects and initiatives at the country organizations. We are constantly expanding our sustainable range of products and services in connection with the circular economy. Sustainable consumer electronics products, the circular economy and a carbon-neutral shopping experience will remain our focus next year. We will also step up high-quality customer advice and education on sustainable consumption, in addition to other measures to reduce the emissions of own operations.

To reduce the consumption of resources, we will also advance the optimization of product packing for our own brands and packaging material. Reducing packaging size and using sustainable materials for outer packaging and filling material is equally important. We also ensure that old appliances are properly disposed of and will remain focused on returning materials to the recycling cycle in order to conserve resources. Sustainability will remain a focus area in logistics. Centralized logistics processes shorten transport routes and ensure optimum availability of our products. Here, we increasingly use electric modes of transport to deliver goods from our stores to customers as a way of reducing emissions. By always monitoring our CO2 emissions throughout our business processes and establishing and implementing

measures to reduce these emissions, the issue of carbon neutrality is still in the spotlight. Next year, for example, we will dedicate even more time to climate targets that help us make progress in this area. Our customers, suppliers and shareholders encourage us to work together on this endeavour – together with a motivated sustainability team and alongside employees from all areas of the company.

With this in mind, let's go!

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CECONOMY Sust	ainability Report 2021/22		Governance	Environment Society
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Company – Corporate Governance.

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102-48	Restatements of information			There were no significant changes such as mergers or acquisitions or a change in baseline years or periods, type of operations or measurement methods that would require a restatement declaration.

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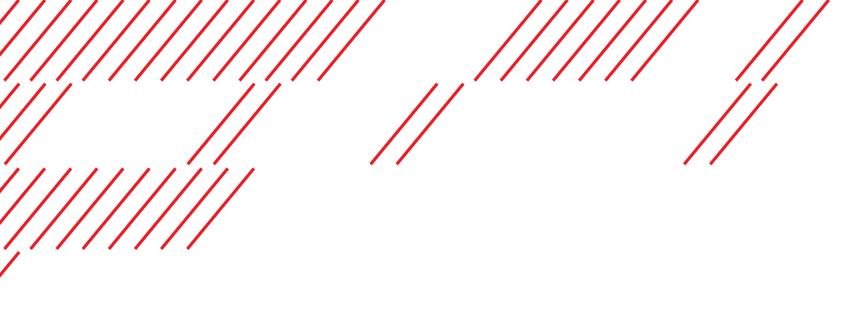
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