



Sustainability Report

2022/23

How we aim to act responsibly
and sustainably change our
customers' lives



***Sustainability is
non-negotiable for us***

As Europe's leading retail company in the field of consumer electronics, we take great responsibility for people, the environment and society. As far as we are concerned, sustainability is non-negotiable. It forms an integral part of the corporate identity of CECONOMY and MediaMarktSaturn and is one of the key pillars of our strategic development into a customer-focused omnichannel service platform. Our approach involves ensuring that we work in an environmentally friendly manner, encouraging our employees to act sustainably, and helping our customers to adopt a more sustainable lifestyle. We have set ourselves ambitious goals in these areas and are happy to be measured by the progress we make. Our sustainability report presents our achievements to date and illustrates how we are helping to make electronics products sustainable in our role as one of Europe's leading providers of technology repair services.

Dr. Karsten Wildberger, CEO of CECONOMY AG

We consider sustainability to be more than just an obligation. It is a central corporate value that also gives rise to business opportunities. We use energy-saving technologies and repair services and promote the circular economy as an integral part of our business activity. Our goal is to achieve long-term success that makes us attractive to investors and customers and enables sustainable growth. We seek to ensure environmental and social responsibility at every stage of the value chain in line with European, national and local regulations.

Dr. Kai-Ulrich Deissner, CFO of CECONOMY AG

Talk the walk

Contents



Intro

1.1 Our progress

1.2 Our strategy

1.3 Networks and initiatives

Environment

2.1 Climate action

2.1.1 Our progress

2.1.2 Climate targets

2.1.3 Climate and energy

2.1.4 Logistics and own brands

2.1.5 Our suppliers' commitment to the climate

2.2 Resource conservation

2.2.1 Our progress

2.2.2 Sustainable products

2.2.3 Extended warranties and insurance

2.2.4 Repairs

2.2.5 Rental

2.2.6 Trade-in

2.2.7 Refurbishment

2.2.8 Waste management

Social

3.1 Responsibility for employees

3.1.1 Our progress

3.1.2 Development and talent promotion

3.1.3 Working conditions

3.1.4 Diversity, equality and inclusion

3.2 Responsibility in the supply chain

3.2.1 Our progress

3.2.2 Due diligence requirements
in supplier management

3.2.3 Supplier management for our own brands

3.3 Social engagement

3.3.1 Our progress

3.3.2 Projects

Governance

4.1 Compliance

4.2 Data protection and information security

4.3 Taxes

Click through the individual chapters or read the report from beginning to end.

1.1 Our progress in FY 2022/23

Climate

Scope 1 and Scope 2 emissions

- 39 %

Our target: reduction in our Scope 1 and 2 emissions of 58.8 per cent by 2032/33 (baseline year 2018/19)*

Ability to deliver with zero emissions

+ 34 cities

Our target: 80 cities by 2025/26 (status quo: 34 cities)

Share of renewable energy

+ 2 %

Our target: 100 per cent of our directly purchased electricity from renewable energy sources by 2029/30 (status quo: 92 per cent)

Resource conservation

Sustainable products

+ 1,730

Our target: 6,000 sustainable products in our range by 2025 (status quo: 4,933)

Products traded in

+ 148,000

Our target: more than 600,000 products traded in in 2025/26 (status quo: > 218,000)

Refurbished devices sold

+ 10,000

Our target: 220,000 refurbished devices sold in FY 2025/26 (status quo: > 18,000)

*SBTi targets submitted, not yet officially confirmed

Employees

Employees from

133 *nations*

Share of female employees

39.4 %

Women in
management positions

22 %



Supply chain

Successful audits at
IMTRON production facilities

98.8 %

Society

Donations in euros to
charitable organizations

1.9 *million*

Step by step on the BetterWay

**October 2020
until March 2021**
Sustainability becomes
an established pillar of
the corporate strategy
and organization

February 2020
Launch of first gender
diversity initiative

December 2018
First non-financial statement
for FY 2017/18

End of 2015
Reporting on Scope 1
and Scope 2 emissions

2014
First steps towards direct emission
savings (Scope 1 and 2) through green
electricity

2012
Introduction of repairs
and SmartBars

2014
Introduction of manufacturer
obligations and start of
supplier audits by IMTRON

Autumn 2021
First comprehensive
employee survey

January 2022
Introduction of BetterWay logo
for sustainable product categories

March 2022
Signing of the European Commission's
Green Consumption Pledge

October 2022
Appointment of a
Human Rights Officer

December 2023
Complete reporting of all Scope 3
categories for the first time

April 2023
Introduction of refurbishment
as a new business model

1.2 Our strategy

Creating experience electronics to enrich people's lives



We create a new category focused on the individual customer experience: “experience electronics”.

We have heavily influenced consumer electronics as a category with our retail brands MediaMarkt and Saturn. As an intermediary between our customers and partners, we help people discover and experience technology. We thus create a new category focused on the individual customer experience: “experience electronics”.

Of central importance: sustainability in our corporate strategy



Employee Experience

Employee experience stands for the appreciation and development of our employees, most of whom come into contact with our customers on a daily basis.



Shopping Experience

For our customers, the shopping experience is shaped by personalized information, opportunities to try products out and personalized advice on all channels – before, during and after purchase.



Usage Experience

Usage experience defines new standards for the use of products well beyond purchase, for example with complementary services throughout the lifecycle.



Impact Experience

And impact experience makes sustainability a fixed component of our corporate strategy: we are making our own business operations more sustainable and enabling our customers to live a more sustainable lifestyle.

Pointing the way for our sustainable action

The United Nations' 17 Sustainable Development Goals (SDGs) are among the world's best guidelines for sustainability. They set out a clear plan for sustainable social development while also taking account of environmental constraints.

Given our business model, our materiality analysis has identified seven SDGs on which our own sustainability strategy is based.



**SUSTAINABLE
DEVELOPMENT
GOALS**



SDG 5: Gender equality

To ensure social diversity, we are working towards a share of women in companies and management positions that reflects the overall employee structure.



SDG 9: Industry, innovation and infrastructure

One of our core competencies is that, with our growing range of modern consumer electronics, we give people all over Europe access to communications technology and the opportunity to participate.



SDG 13: Climate action

We take responsibility and work every day to reduce the negative impact on the climate: We are switching to a more sustainable product range, encouraging consumers to make repairs and buy recycled products, and simultaneously optimizing our processes, energy consumption and logistics.



SDG 7: Affordable and clean energy

For the expansion of renewable energy at MediaMarkt-Saturn, we continue to advance the Group-wide conversion to green electricity. We also offer our customers electricity contracts exclusively with renewable energy.



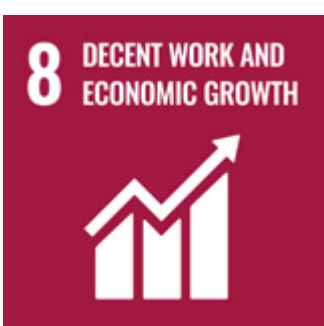
SDG 12: Responsible consumption and production

We are responsible for developing solutions for environmental and social challenges. With a good 2 billion customer contacts per year, we can shape the market for sustainable solutions in our sector. With sustainable products, resource-saving services and education for our customers, we actively support a conscious lifestyle.



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. We take our own role very seriously and, by signing the EU's Sustainable Consumption Pledge, have committed ourselves to ambitious targets.



SDG 8: Decent work and economic growth

As an employer of around 50,000 people worldwide, it is our duty to offer them safe and attractive jobs. We also ensure that our suppliers also adhere to environmental and social standards. We support increased economic productivity by selectively promoting technological innovations.

On the BetterWay: our sustainability strategy



“Sustainability is the key factor for future competitiveness. The winners will be the companies that integrate sustainability into their strategy, extract value out of the sustainability journey and make sustainability part of their value proposition. We call this BetterWay.”

Ana Maria Jaime, Vice President Sustainability

Big companies should do big things. This applies not only to economic success, but also to taking responsibility. For this reason, we have a clear goal: We want to shape conscious and sustainable

business and be a role model for the entire industry. And this is also firmly enshrined in our vision via our impact experience.

For people and the environment – and for our company

We pursue an extensive sustainability strategy, yet our approximately 2 billion customer contacts per year provide us with great leverage to support the circular economy. This includes energy-efficient, sustainably produced and packaged products, as well as offers that make products attractive and usable for our customers for longer and available for secondary or tertiary use. In this way, we actively contribute to resource conservation.



01

We offer a climate-neutral shopping experience.

We have set ourselves ambitious climate targets in order to reduce our emissions (Scope 1 to 3). Through the ongoing optimization of our business processes, increasingly stringent demands on our suppliers, and carbon-neutral delivery, we enable our customers to protect the climate when buying from us.



02

We provide the most sustainable range of consumer electronics and are pioneers of the circular economy in Europe.

Maximum circular economy thanks to energy-efficient, sustainably produced and packaged projects as well as offerings that make products more attractive to customers and usable for longer. The product lifecycle is extended through repairs and other resource-conserving services, and products are made available for secondary and tertiary use.



03

We take social responsibility for our employees, suppliers and communities.

Our business is based on social responsibility to our employees, to suppliers throughout the supply chain and in the communities we touch. This includes fairness, transparency and diversity.

Award-winning sustainability

The perception of MediaMarkt and Saturn as brands that offer their customers a sustainable lifestyle increased in financial year 2022/23. It is particularly commendable that we are Germany's strongest retailer when it comes to the perception of our sustainable services.



We are again among the "Financial Times Europe's Climate Leaders". This is a list of major European companies that have most successfully reduced their greenhouse gas emissions in relation to revenues.

FOCUS

TOP
KLIMA
ENGAGEMENT
2024

FOCUS-KLIMASCHUTZ.DE
IN KOOPERATION MIT
FACTFIELD

FOCUS has recommended us as a company with top climate engagement. We were awarded top scores for the criteria "Structures for Climate Engagement" and "Renewable Energy and Climate-friendly Products" and are thus among the top 10 per cent in this area.

1.3 Networking and initiatives

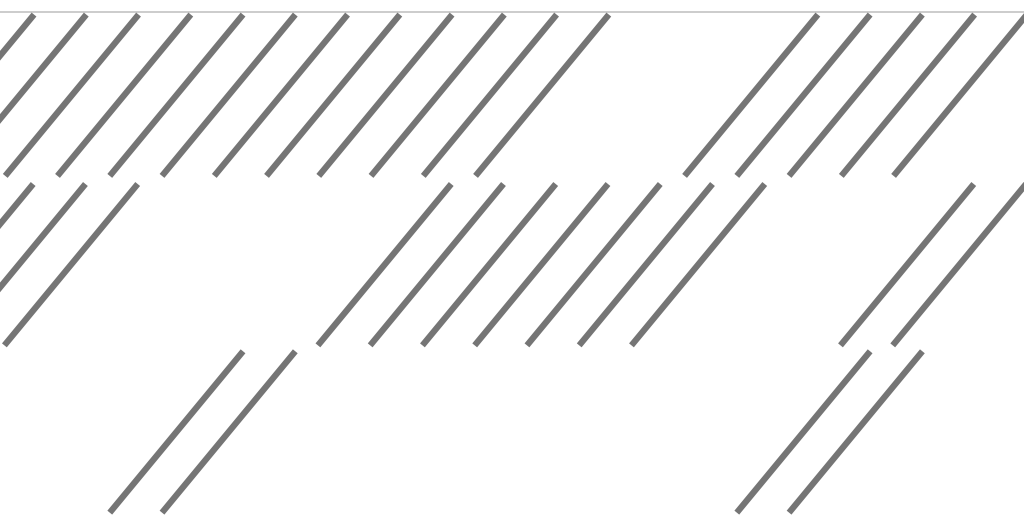
Even better together: sustainable partnerships



Networks and initiatives accelerate the transformation to a more sustainable economy through cooperation and shared knowledge.

MediaMarktSaturn has been part of the United Nations Global Compact (UNGC) for over five years. In this financial year, we took part in a peer learning group – a discussion between ten to twelve compa-

nies from various industries on the specific challenges of climate management. As part of the “Target Gender Equality Accelerator” program initiated by the UNGC, we also network with other companies to discuss ideas and strategies for a more inclusive economy.

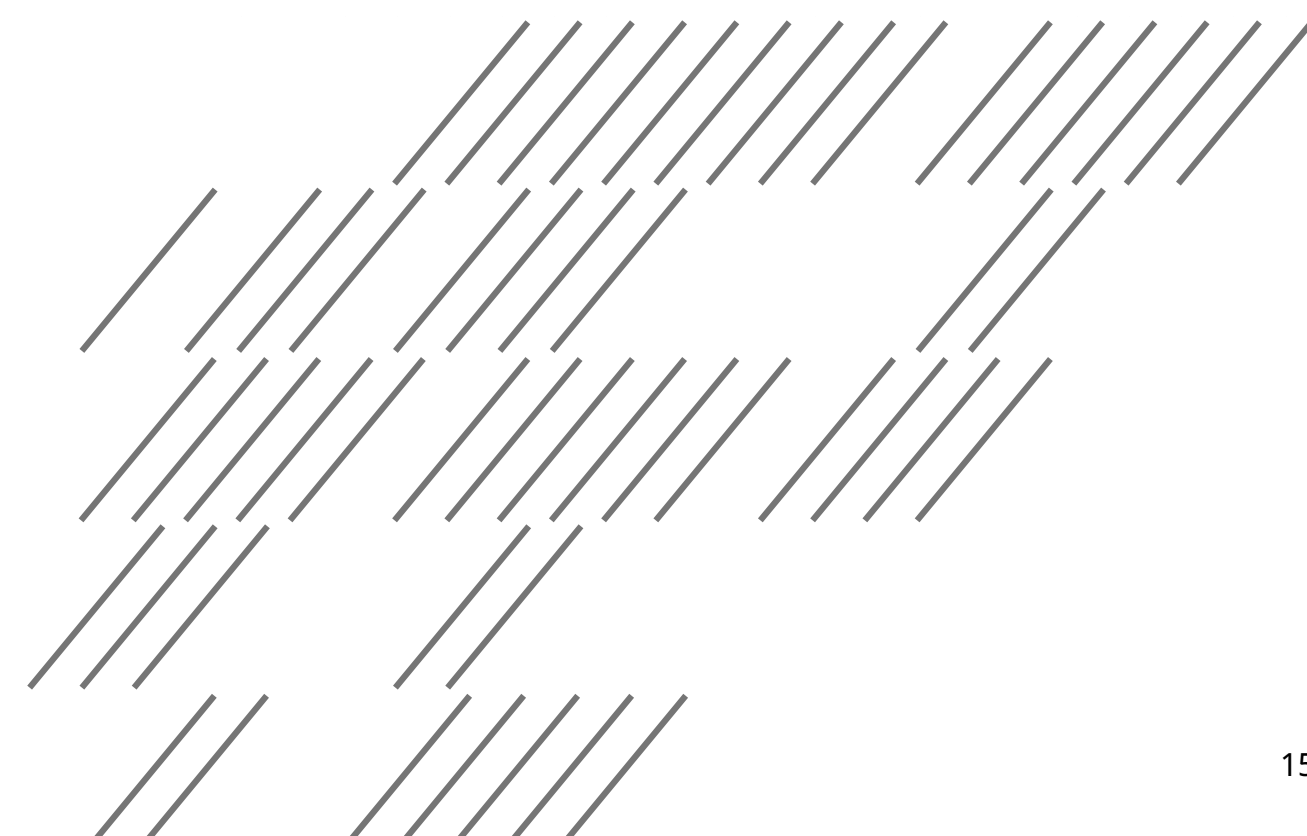


We have also signed the European Commission’s Sustainable Consumption Pledge. We are thus committed to extensive climate targets. The initiative is the follow-up to the “Green Consumption Pledge”. For the first time, we have submitted our climate targets to the Science Based Targets initiative (SBTi) for independent review.

As a member of the Responsible Business Alliance (RBA), we look to industry-wide requirements and are committed to the responsible principles of the RBA Code of Conduct. We also committed ourselves to sustainable action by signing the uniform principles of action of the German Retail Federation (HDE). In five guiding principles, the HDE sets out the social role of a company, supplier, partner and employer.

Since 2014, our subsidiary Imtron, which is responsible for our own brands, has been a member of amfori BSCI, which was founded to protect workers’ rights in production facilities.

In the field of diversity, we are a signatory of the Diversity Charter. We thus strive for a respectful and unprejudiced working environment and communicate with other companies and institutions in order to practise and promote diversity. With regard to corporate citizenship, we are also learning from experienced international companies in a working group initiated by PHINEO.



Environment

Better conduct for the climate and resources

We are more conscious than ever that our business activities as a leading consumer electronics retail company have a direct impact on our climate and the availability of raw materials. It is currently impossible to do business without harming the environment. The solution? Acting consciously and minimizing negative impacts. We generate economic growth in an economically responsible manner and develop forward-looking solutions for the environment, climate and resources.

2.1 Climate action

Vital mission: lower emissions



“65 per cent of the world economy has undertaken to be carbon neutral. That includes us. Taking care of our planet is not an option, but a must for each and every one of us.”

Ana Maria Jaime, Vice President Sustainability

Our mission is clear: carbon neutrality. An important step towards achieving this is to identify the sources of emissions in our stores and offices, in all logistics processes and in the production and use of the electronics products we sell.

We are continually developing specific climate protection measures to minimize these emissions. Everything that we have already done and everything we are planning for the future translates into 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.

2.1.1 Our progress in FY 2022/23

Scope 1 and Scope 2 emissions

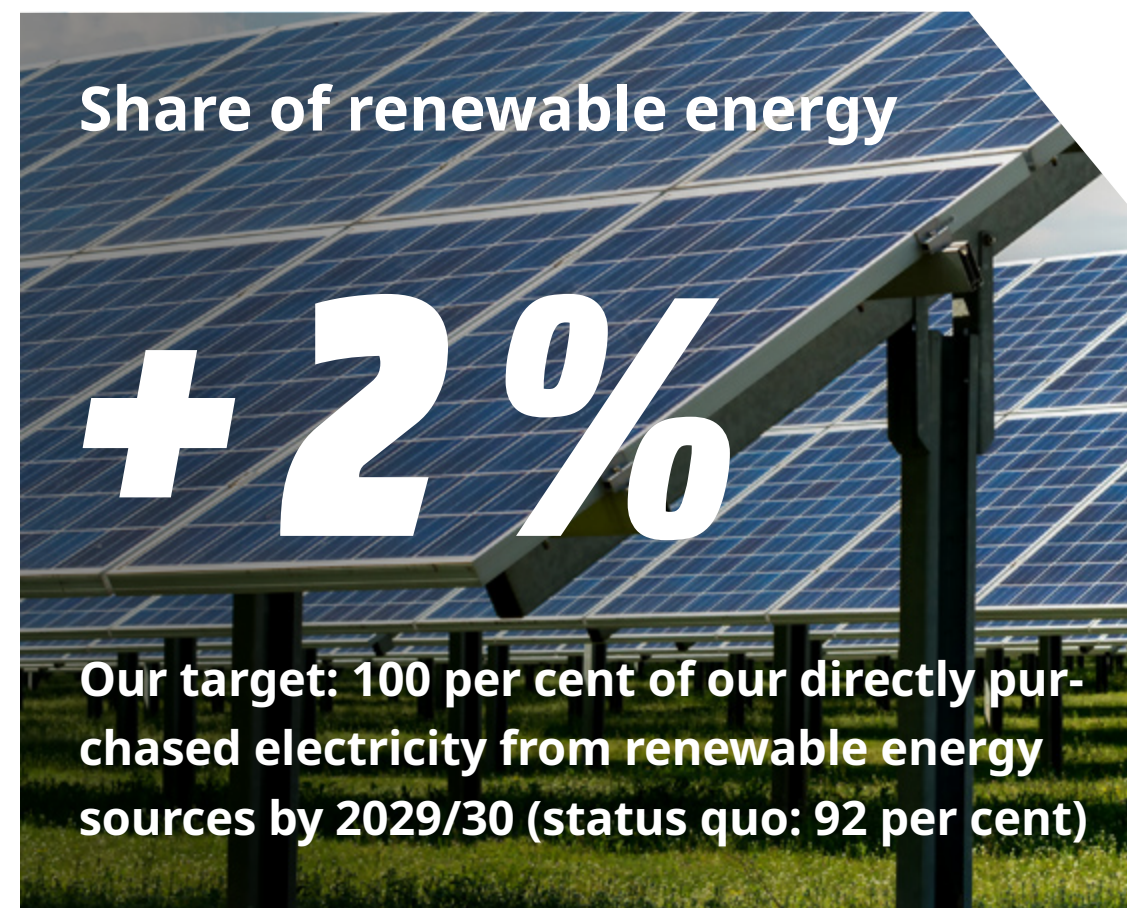
- 39 %

Our target: reduction in our Scope 1 and 2 emissions of 58.8 per cent by 2032/33 (baseline year 2018/19)*

Share of renewable energy

+ 2 %

Our target: 100 per cent of our directly purchased electricity from renewable energy sources by 2029/30 (status quo: 92 per cent)



Ability to deliver with zero emissions

+ 34 cities

Our target: 80 cities by 2025/26 (status quo: 34 cities)

Electricity consumption per square metre of selling space

- 11 %

Energy consumption

- 15 %

* SBTi targets submitted, not yet officially confirmed

Scope 3.1 (own brands)

+4%

Our target: reduction of 32.5 per cent by 2032/33 (baseline year 2021/22)*

Scope 3.4 (transportation and distribution)

-58%

Our target: reduction of 32.5 per cent by 2032/33 (baseline year 2021/22)*

Scope 3.11 (use of sold products)

±0%

Our target: reduction of 32.5 per cent by 2032/33 (baseline year 2021/22)*



Scope 3 emissions

-8%

-39%

Net CO₂ intensity for freight transport and purchased goods for internal operations and our own brands

(32.06 tCO_{2e}/€ million sales)

* SBTi targets submitted, not yet officially confirmed

2.1.2 Climate targets

Hand-signed to reduce our footprint

The impact of climate change is dramatic. It is our duty to come up with measures to protect the climate and to consistently align our activities with these measures. In order to make a substantial contribution in this respect, in 2022 we were one of the first companies to sign the European Commission’s Green Consumption Pledge – the predecessor of the Sustainable Consumption Pledge. By signing up, companies promise to help accelerate the green transition in Europe. Within this framework, we have undertaken to achieve ambitious climate targets for financial year 2029/30 in order to reduce our emissions according to the Greenhouse Gas Protocol even more quickly. And because we want our climate targets to have a scientific basis, we are currently undergoing the definition and validation process for the Science Based Target initiative (SBTi).

You can find our commitment to the sustainable consumption pledge [here >>](#)

In addition to the targets defined in the Sustainable Consumption Pledge, we are committed to achieving net zero emissions for Scope 1 and 2 from 2024 onwards and total net zero emissions by 2040 with certified climate change mitigation projects.

Our target: reduction in our Scope 1 and 2 emissions of

58.8%

**by 2032/33
(baseline year 2018/19)***



* SBTi targets submitted, not yet officially confirmed

2.1.3 Climate and energy

Putting energy into it

In the current status quo, emissions from our stores and administrative buildings (not including the vehicle fleet) totalled 32.4 thousand tonnes of CO_{2e} in financial year 2022/23. Compared with 2018/19, this represents a reduction in our Scope 1 and 2 emissions of 57 per cent – not including offsets. We are therefore well on track to achieving our target!

Scope 1 and 2 emissions primarily result from energy consumption in our own business operations. Electricity purchased to run our stores accounts for a large proportion of our energy requirements.

As a large portion of our stores use green electricity, we have succeeded in reducing Scope 2 emissions considerably. At present, 92 per cent of our direct electricity comes from alternative energy sources – our target for 2029/30 is 100 per cent. Through extensive energy saving measures, we have lowered electricity consumption per square metre of selling space by 15 per cent this financial year (reference year: 2018/19). The total energy consumption of our stores and administrative buildings (not including the vehicle fleet) this financial year was 454.9 thousand megawatt hours. We are also focusing on the ongoing modernization of our stores and administrative buildings, which we carry out largely as a tenant.



Our target:

100 %

of our directly purchased electricity from renewable energy sources by 2029/30

STOP UNNECESSARY ENERGY CONSUMPTION!

We launched the Group-wide “STUNEC” programme at the start of 2022 and have been refining it ever since. It involves measures to save energy in air conditioning and lighting. For example, 86 per cent of our stores have now switched to LED lighting – resulting in an average saving of 48 per cent. At the same time, room temperatures have been adjusted in line with the “Ordinance on Securing the Energy Supply through Rapid Impact Measures”, which will continue to apply in the long term as an international directive.

Individual measures are also implemented depending on the situation in the respective store, such as deactivating outside advertising in the evenings and at night, turning off the hot water boilers or flow heaters in the bathrooms, less lighting in selling spaces and more targeted operation of TV sets. As an accompanying measure, we have raised employee awareness of energy saving throughout the company.

Our central distribution centre in Germany also has a photovoltaic plant. In financial year 2023, it generated 485,136 kilowatt hours, of which 110,076 kilowatt hours were fed into the power grid. To reduce electricity consumption, the entire distribution centre is fitted with LED lighting. We also save emissions through our electric forklifts with lithium-ion batteries.

Energy footprint for Scope 1 and 2 in thousands of MWh

	Baseline year 2018/19	2021/22	2022/23
Total energy consumption	661.7	583.1	494.4
Scope 1 energy consumption	116.1	100.7	84.8
Natural gas	54.3	58.0	43.3
Heating oil	2.7	2.3	1.8
Diesel	53.8	32.3	29.7
Petrol	5.3	8.1	10.0
LPG			0.1
Scope 2 energy consumption	545.6	482.3	409.6
Electricity	524.3	462.3	393.5
District heating	19.1	18.4	14.9
District cooling	2.2	1.6	1.1
Energy consumption per m² of selling space in kWh	215.8	210.5	184.6
Electricity consumption per m² of selling space in kWh	187.8	179.3	159.7



In data we trust

We continuously reduce our energy consumption by way of efficient energy management – based on comprehensive data. Some of the information required is obtained using digital energy meters and sensors for temperature and air quality in heating and air conditioning. The result is building automation and the optimization of our heating, ventilation and air conditioning systems. For example, smart metering systems measure electricity usage so that we can respond immediately to rising consumption. In September 2023, we began to roll out a central temperature monitoring system (TMS), which enables more precise monitoring of temperature consumption and targeted optimizations. The TMS will gradually be installed in all selling spaces at all stores.

Fully charged: our fleet

Our vehicle fleet generates some of our emissions – and we can directly influence them. We are therefore focusing on adding more electric vehicles to our fleet and providing additional incentives for electric mobility. All of our company car users were given the option to switch to an electric car with little in the way of wait time. This increased the proportion of newly registered electric vehicles throughout the Group to 20 per cent.

Carbon footprint for Scope 1 and 2 in thousands of tonnes of CO_{2e} (CO₂ equivalents)

	Baseline year 2018/19	2021/22	2022/23
Total greenhouse gas emissions	100.2	69.8	42.9
Greenhouse gas emissions not including vehicle fleet	85.5	59.1	32.4
Direct (Scope 1) greenhouse gas emissions	26.5	23.2	19.8
Natural gas	11.1	11.8	8.8
Heating oil	0.7	0.6	0.5
Diesel (stationary consumption)	–	0.1	0.1
Vehicle fleet	14.7	10.7	10.4
Indirect (Scope 2) greenhouse gas emissions (market-based)	73.7	46.6	23.1
Electricity	66.5	39.4	20.4
District heating	6.5	6.6	2.5
District cooling	0.6	0.5	0.2
Scope 2: Indirect greenhouse gas emissions (location-based)	247.8	198.3	142.0
Scope 1 + 2 greenhouse gas emissions per m² of selling space in kg, not including vehicle fleet (market-based)	30.6	22.9	13.1

Carbon footprint for Scope 3 in thousands of tonnes of CO_{2e} (CO₂ equivalents)

	Baseline year 2021/22	2022/23
Scope 3.1 – Purchased goods & services	7,986.6	6,310.6
Scope 3.1 – Non-tradables	318.3	186.0
Scope 3.1 – Procurement of own-brand products	300.3	310.9
Scope 3.1 – Procurement of third-party brand products	7,368.0	5,813.7
Scope 3.2 – Capital goods	178.7	116.6
Scope 3.3 – Fuel- and energy-related emissions	43.8	16.4
Scope 3.4 – Upstream transportation and distribution	518.0	216.4
Scope 3.5 – Waste	15.0	5.5
Scope 3.6 – Business travel	3.0	5.9
Scope 3.7 – Employee commuting	46.0	56.1
Scope 3.8 – Upstream leased assets	104.3	6.1
Scope 3.11 – Use of sold products	17,113.8	17,147.8
Scope 3.11 – Use of own-brand products	1,260.5	1,533.0
Scope 3.11 – Use of third-party brand products	15,853.3	15,614.8
Scope 3.12 – End-of-life treatment of sold products	649.2	742.9
Scope 3.12 – End-of-life treatment of sold own-brand products	23.8	42.2
Scope 3.12 – End-of-life treatment of sold third-party brand products	625.5	700.7
Scope 3.15 – Investments	5.5	5.4

Along the way

We have already reduced our Scope 3 emissions by 8 per cent compared with financial year 2021/22. Emissions have increased by 4 per cent in Scope 3.1 (own brands) and remained constant in Scope 3.11. In Scope 3.4, emissions have fallen by 58 per cent, which is explained by the new data pool. In financial year 2022/23, net CO₂ intensity for freight transport and purchased

goods for internal operations and our own brands amounted to 32.06 tCO_{2e}/€ million sales. This is 39 per cent lower than in the previous year, although comparability is limited as a result of the updated data pool.

Our target: Reduction of Scope 3.11 emissions from the use of sold products by

32.5%

by 2032/33
(baseline year 2021/22)*

* SBTi targets submitted, not yet officially confirmed



2.1.4 Logistics and own brands

New channels: sustainable logistics



“Sustainability in the supply chain is essential for a better future – and to ensure that we are our customers’ first choice for the last mile.”

Joeri Kuik, Vice President Supply Chain Management

Our customers can purchase washing machines, new televisions, smartphones and much more in our stores or our online shop – we offer them the choice. But all of these appliances have to be transported and stored. We cannot entirely prevent the CO₂ emissions this generates, but we can limit them by adopting a sustainable logistics strategy.

Since financial year 2021/22, we have been transforming our logistics into a centralized omnichannel network. Thanks to this restructuring, we can offer our customers an even more satisfying service – with higher delivery speed, reliability, quality and availability. At the same time, we can better identify wastage of energy and resources and work more closely with suppliers and service partners. Against this backdrop, we have developed a systemic approach that also improves our environmental sustainability in the supply chain. To implement this approach, we are testing certain concepts in various countries and regions, gradually expanding the scope of functions and countries/regions while continuously raising the level of centralization.



Our target: Reduction of Scope 3.4 emissions from transportation and distribution by

32.5% by 2032/33 (baseline year 2021/22)*

Faster, more – and better: our city logistics

We have developed hubs for metropolitan regions and cities as part of our omnichannel network, and their number is growing steadily. Customer deliveries, store deliveries and returns are combined in the same vehicles and routes are optimized to shorten the distances travelled and reduce the associated emissions. Moreover, we can offer customers additional services such as assembly, installation, repairs, disposal of old appliances and delivery windows with a high degree of accuracy.

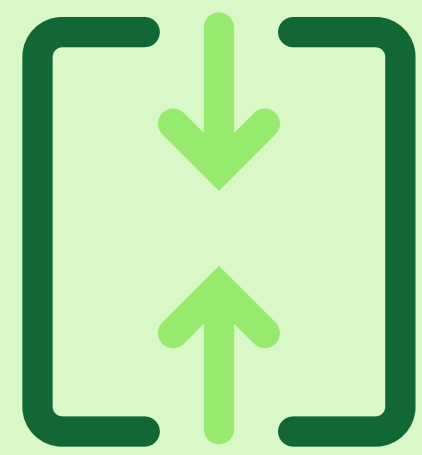
Short distances, low emissions

For the last mile, we are working with logistics providers in Germany and Switzerland that can demonstrate that they are avoiding CO₂ emissions and electrifying their vehicle fleets. In Hungary, we are currently experimenting with delivery by bicycle. And our stores in Spain and Switzerland are also making greater use of electric vehicles for the “last mile” – the direct delivery to the customer. We can already deliver in this way in 34 cities. We want to be able to deliver with zero emissions in 80 cities by 2025/26. The amended “ship-from-store” logistics system, whereby deliveries come from the closest store, offers additional potential for CO₂ savings.

*SBTi targets submitted, not yet officially confirmed



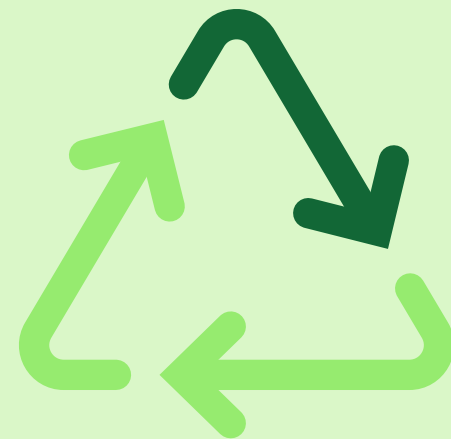
Wrapping up the packaging strategy



Reduce



Reuse



Recycle

Reduce

This is all about using less packaging material, using sustainably produced packaging and optimizing packing dimensions. At the moment, we are working on shipping products in their original packaging, i.e. without additional outer packaging.

Reuse

We are also continuously improving our reuse of packaging material. In one of our warehouses, for example, reusable rubber bands are used for pallets with large loads. This saves roughly 20 per cent of the stretch wrap previously used.

Recycle

And we are working on sustainable packaging materials – which is also helpful for waste separation according to waste type. One of our initiatives involves water-activated tape. Because this adhesive tape is made of paper and is not reinforced by additional threads, it can be recycled along with the shipping box.

On our own doorstep: sustainability in our own brands

Most emissions fall within the Scope 3.1 and Scope 3.11 categories. In both categories, they can primarily be reduced by focusing on the product itself, i.e. its design, materials and production. And because we can directly influence our subsidiary IMTRON, we have set ourselves an absolute target of 3.0 per cent lower emissions per year until 2030.

The target we have defined for IMTRON is extremely ambitious. To begin with, we are examining every product for reduction potential so that we can develop targeted measures for their production and use. We are currently still at the start of this journey, and our broad product portfolio means the measures will only have a tangible impact in the medium term.



Our target: Reduction of Scope 3.1 emissions from own brands by

32.5%

by 2032/33
(baseline year 2021/22)*

*SBTi targets submitted, not yet officially confirmed

More smart technology, less packaging

To reduce the Scope 3.11 emissions of its own brands, IMTRON is increasingly focusing on the eco-design of its products, because better energy and water consumption during use means lower emissions on the part of our customers. This not only helps protect the environment, but also reduces consumption costs. Two examples of such products are our refilled ink cartridges from ISY and our ISY mobile phone cases, which are made from plant-based material and are therefore biodegradable.

We also have the greatest leverage to reduce environmentally harmful transport, filling and packaging materials for our own brands: We make full use of shipping boxes by making changes to order volumes. The new product line, KOENIC by Tim Raue, is manufactured entirely from FSC-certified packaging material. Wherever possible, we sell products without any outer packaging at all, such as our KOENIC CO₂ gas cylinders and our ISY notebook bags that have outer and inner material, stitching and straps made from recycled PET.



2.1.5 Our suppliers' commitment to the climate

Working with our partners for a good climate

Most of our company's emissions arise from the purchase of third-party brands and the use of these products. This is why we also place great importance on the positive development of emissions among our suppliers. Our aim is for 80 per cent of our suppliers to set themselves science-based climate targets by 2027. The current figure is 64 per cent.

Our target: science-based climate targets for

80 %

of our suppliers by financial year 2027/28*



*SBTi targets submitted, not yet officially confirmed

2.2 Resource conservation

A well-rounded affair: closing the loop



“We will only have achieved our goal when a product lifecycle no longer ends, but constantly begins anew.”

Sebastian Koch, Senior Manager Sustainability

Our business model is not just based on selling products. We also offer our customers a continuous experience across all channels – in short: experience electronics. From trying out products in store to smooth delivery, from stress-free set-up at home to repairs.

We know that more and more customers want to lead a responsible lifestyle. We therefore feel called upon to facilitate sustainable consumption with innovative product solutions and service concepts. We are guided by the vision of a circular economy and measure the environmental impact of our products throughout their lifecycle. Our sustainable products and services are already helping customers to use their appliances and devices responsibly and extend their lifetime before recycling them at the end of their life in order to conserve resources.

2.2.1 Our progress in FY 2022/23

Sustainable products

+1,730

Our target: 6,000 sustainable products in our range by 2025 (status quo: 4,933)



Products traded in

+148,000

Our target: more than 600,000 products traded in in 2025/26 (status quo: > 218.000)

Refurbished devices sold

+10,000

Our target: 220,000 refurbished devices sold in FY 2025/26 (status quo: > 18.000)

Repairs

3.2 million

Our target: 3.5 million by FY 2025/26

Returns

> 99 %

of returns put back on sale

Green electricity contracts brokered

96,000

Turning things around: with resource-saving products and services



2.2.2 Sustainable products

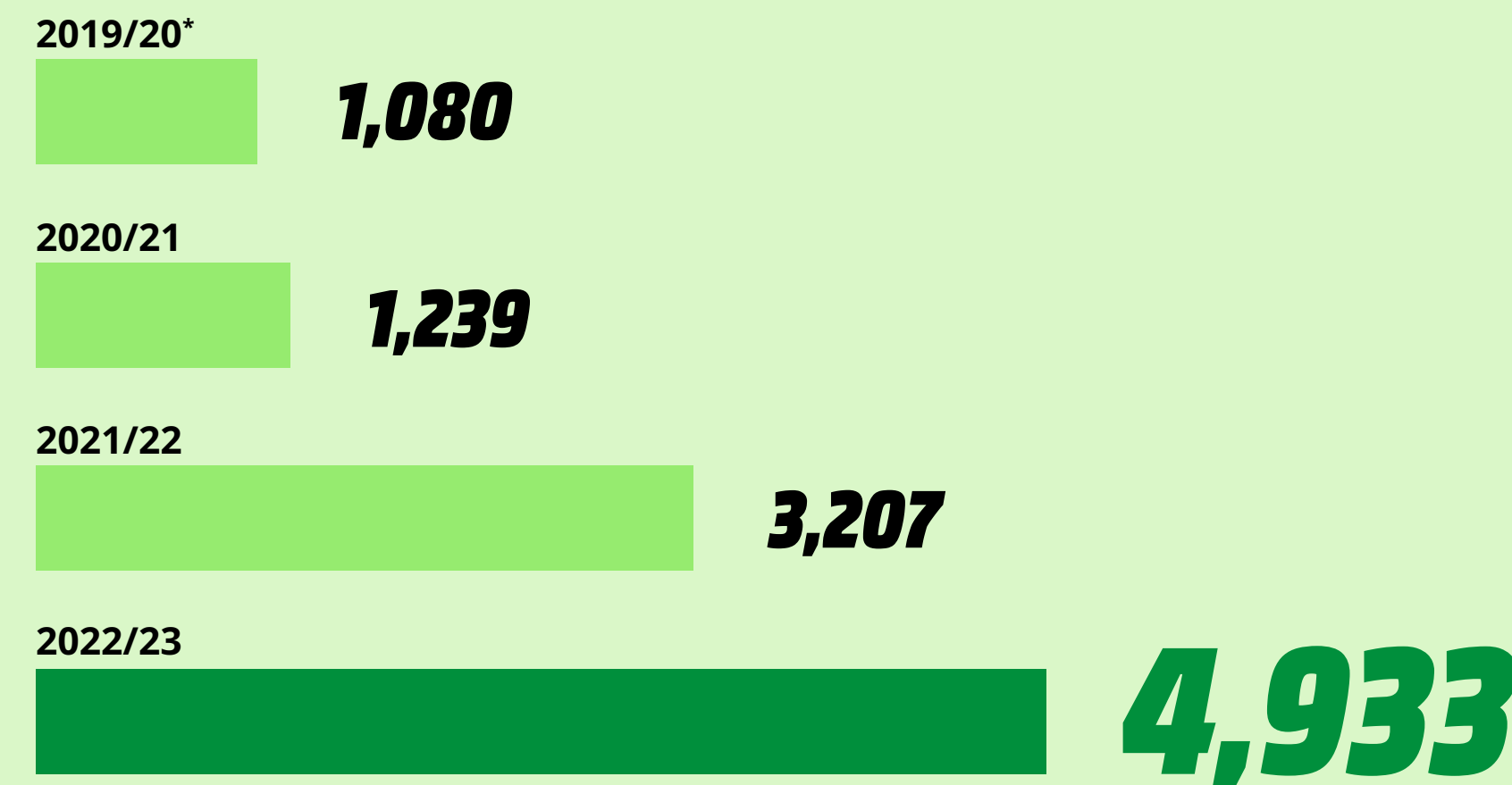
Visibly green: our sustainable product range

We want to help our customers to live a sustainable lifestyle. We also see it as our responsibility to guide them through the vast array of products on offer. What guidance is available to responsible shoppers? How can they identify a resource-efficient washing machine, fridge or coffee machine? We provide information about the sustainability of our products. This allows customers to make informed purchase decisions.

What makes an electronics product sustainable? Firstly, the use of recycled materials in production and energy or water consumption during use. And secondly, the product's durability, i.e. whether it can be repaired and recycled.

When we signed the Green Consumption Pledge in April 2021, we committed to doubling the number of sustainable products in our product range by the end of 2023. We raised and specified this target when we signed the Sustainable Consumption Pledge in March 2023.

Sustainable products in our product range



Our target:
6,000 sustainable products in our range by 2025

* Baseline year

Sending a signal: our BetterWay logo

To help customers to identify our sustainable products and services at a glance, we label them with our own logo: BetterWay.



A product is considered sustainable if:

- ✓ it is certified with a Type 1 ecolabel



- ✓ for product groups without a Type 1 ecolabel, the product is among the most energy-efficient products according to the EU energy label or among the most repairable products according to the French Repair Index and additional internal criteria ("BetterWay" criteria)
- ✓ for product groups without a Type 1 ecolabel, EU energy label or French Repair Index, the product contains at least 50 per cent recycled materials.

Sustainability that catches the eye

Our BetterWay products are labelled using automated processes in our product data systems. This ensures that our customers have the latest sustainability information at all times. In our stores, BetterWay product stickers and electronic shelf labels help customers to recognize verifiably sustainable products quickly and easily. Eye-catching green posters point the way to an environmentally responsible shopping experience. And in our online shops, we display the BetterWay logo on the overview and product details pages right next to the picture of the product. On the details page, a pop-up presents all of the sustainability information for the respective item.

BetterWay in the online store using the example of "washing machines" can be found [here >>](#)

Good to know: advice on sustainability

A responsible purchase is followed by responsible use. After the purchase decision is made, a product enters the next phase of its lifecycle. We help our customers to use their appliances as sustainably and for as long as possible. Depending on the product category, there are a lot of questions to be answered: What do the eco programmes on washing machines and dishwashers involve? What does a lint filter have to do with resource consumption? And can a fridge really prevent food waste?

We provide the answers: Our employees in store can tell customers how to use our products in a sustainable manner. Themed website pages and our brand magazines "MediaMagazin" and "TurnOn" also contain day-to-day tips as well as more detailed articles. For example, one article addresses the growing popularity of balcony power plants.

It doesn't get greener than this: renewable energy as a product.

The use of consumer electronics causes emissions – because of the electricity used. These emissions immediately drop to zero if the user's electricity is generated from renewable energy sources. In financial year 2022/23, we therefore offered green electricity contracts from external service providers in Germany, Spain, Belgium, the Netherlands, Italy and Sweden. 96,000 households now no longer cause emissions with their consumer electronics.

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.



2.2.3 Extended warranties and insurance

For a longer life: insurance

Electronics products are more environmentally friendly the longer they are in use. Insurance products make this easier: In the event of a claim, our extended warranty – i.e. the extension of the manufacturer's warranty and insurance against production and material defects – promises repairs or an appropriate exchange, including

using refurbished appliances and devices. Our extra "PlusSchutz" protection offers insurance against damage caused by falls, breakages and water damage as part of the extended warranty. Here, too, we repair the product so that it can continue to be used.



2.2.4 Repairs

Better well repaired than simply discarded

Repairs play a key role in the circular economy. They extend the lifetime of a product and save valuable resources. We therefore offer an extensive service in this area.

Our customers can take their devices away with them again from our SmartBars, while the after sales service desk handles necessary repairs with the manufacturers' workshops or selected repair service providers.

Customers can hand in defective appliances or those in need of maintenance to all of our stores. At our SmartBars, our in-house technicians repair mobile phones and offer many other services, from on-the-spot repairs to display protection and extended warranties. To further underpin our commitment to the circular economy, in future the SmartBars will also serve as a central point of contact for other services that help extend product lifespans and conserve resources – such as software services, printing and calibration, spare parts services and e-scooter repairs.

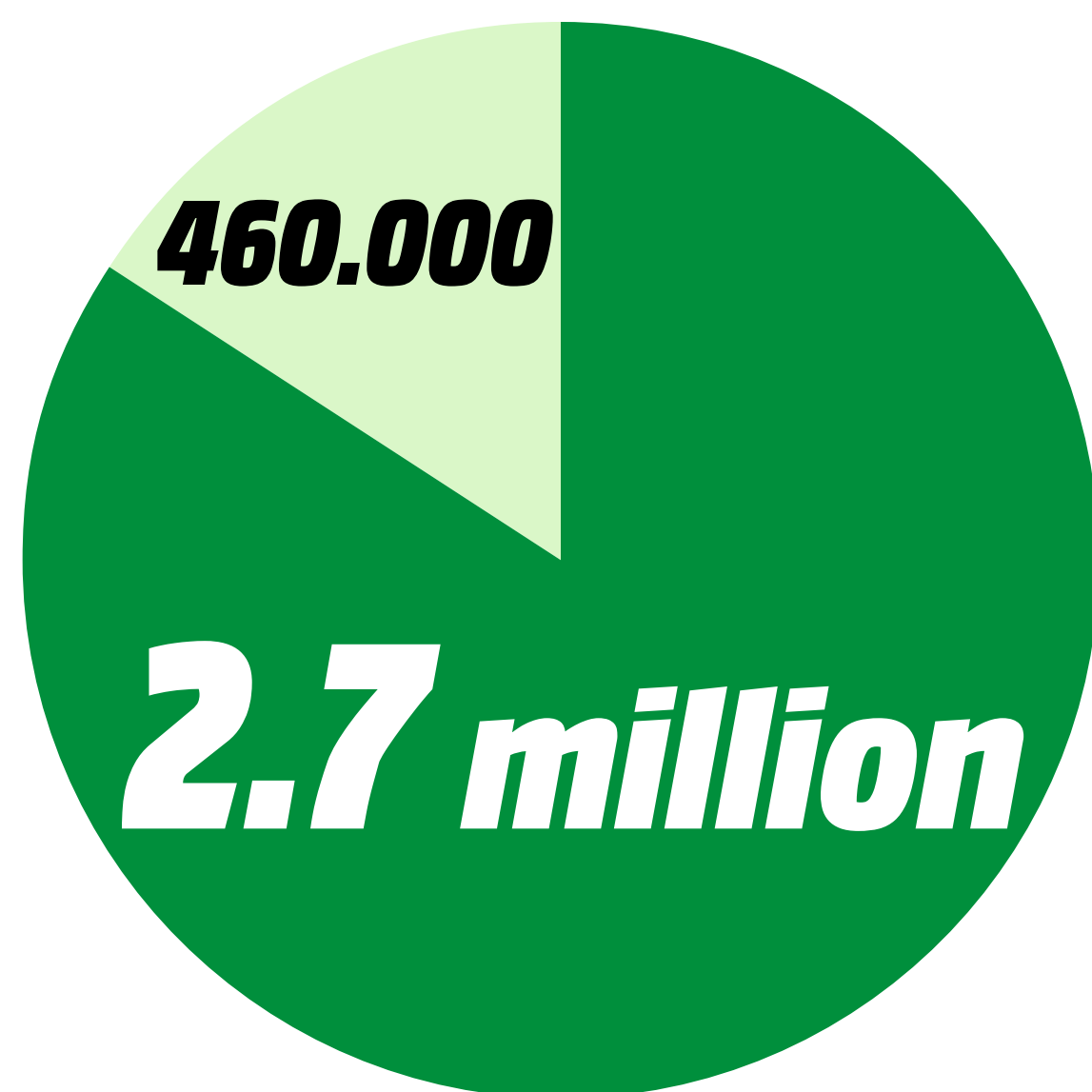


Our target:

3.5 million

repairs by financial year 2025/26

Repairs in financial year 2022/23



Just under

3.2 million

appliances repaired

- handed in to the service desks
- repaired on the spot and on the same day at the SmartBars

In total more than

9,300 tonnes

of electronic waste reduced

Saving in the right place: Examples from our companies

We also offer our customers an at-home advice service. In Germany, this is provided by our subsidiary Deutsche Technikberatung. Internationally, we work with various service partners. In a successful pilot project, Deutsche Technikberatung showed that customers can use its remote service to find a quick solution to suspected product damage so that they can continue using their device. In addition to individual advice, Deutsche Technikberatung organizes webinars and scheduled seminars in our stores.

Repairs pay off: Our country organization in Austria is a partner in the established “Reparaturbonus” subsidy programme initiated by the Austrian government, which allows individuals to save 50 per cent of the repair costs when they have an old device repaired by a partner firm. At reparaturbonus.at, customers receive a voucher for a repair which they can redeem within the next three weeks. Repairs and cost estimates are subsidized up to a maximum of €200 and €30 respectively. Following a trial that met with high demand, the offering was extended to smartphones and coffee machines at all stores throughout Austria.

2.2.5 Rental

Mine? Yours? Ours! Our rental programme!

Our customers can not only buy the best technology from us, but rent it as well – and use it for as long as they actually need it. This eliminates unnecessary consumption and conserves plenty of resources. Once returned, we clean the devices, repair them if necessary – the rental price includes repair insurance* – and rent them out again. This service is currently available in Germany, Austria and Spain.

In financial year 2022/23, we concluded just under

20,000

product rental agreements.



2.2.6 Trade-in

Old for new: our trade-in programme

Sadly, many older devices are left lying around or are thrown away even though they still work – and in most cases they are not even disposed of properly. According to a calculation by the digital association bitkom, this applies to around 210 million mobiles or smartphones, 49 million laptops and 26 million tablets in Germany alone. Many of these could be given a second life by being refurbished. Even defective devices have an important role to play, because the recovery of rare earths and precious metals reduces the need for the continued mining of finite resources.

We are legally obliged to take back old devices. We go beyond this: With our trade-in service, our customers can exchange devices that are still in working order for a gift card. The advantages are twofold: Their next purchase is cheaper, and the decommissioned devices go back into circulation.

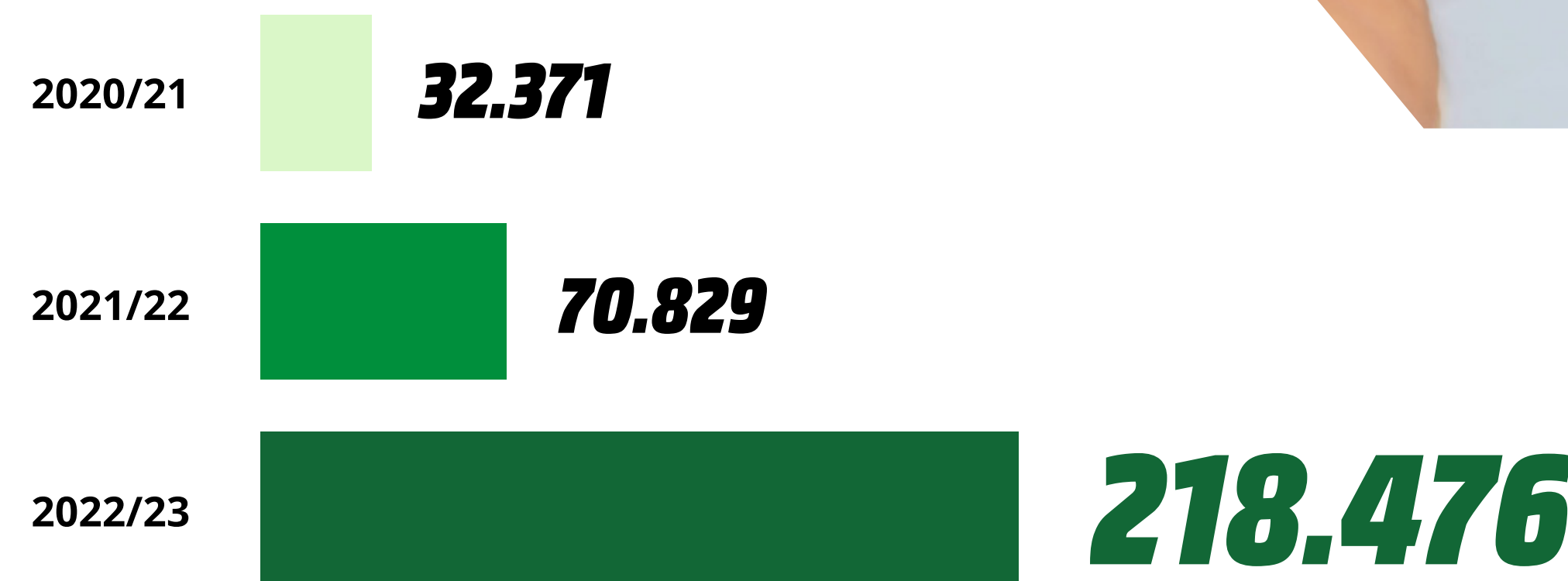
We began in 2019 with twelve machines for returning mobile phones. Since then, the trade-in programme has been continuously enhanced. Since financial year 2022/23, it has been available both online and in our stores in all country organizations. Together with suppliers, we regularly advertise trade-in offers where customers can hand in their old devices to us in exchange for discounts on new ones. The range of products that we accept as trade-ins has also widened considerably. It now includes tablets, smartwatches, PCs and laptops, cameras and lenses, and games consoles, and more product groups are ready to be added.

Our target:

> 600,000

products traded in
in 2025/26

Devices traded in per financial year:



2.2.7 Refurbishment

You only live twice: refurbished devices

There are two advantages to refurbished products – they save resources and money. The devices work perfectly and are usually visually indistinguishable from new products. We work with selected partners for our growing range of refurbished products.

Refurbishment involves used devices being tested for functionality and repaired if necessary. After technical acceptance, the device is cleared of all data, restored to factory settings and cleaned. Finally, its condition is assessed – in most cases, devices are found to be “excellent”, “very good” or “good”. In other words, refurbished products are extensively tested, fully functional, and sold with original or appropriate accessories.

A new life for sustainability

Refurbishment gives devices a second life. Their continued use saves the energy and resources that would be used to manufacture a new device. We expanded our range of refurbished products in financial year 2022/23. Now customers can purchase refurbished smartphones and tablets – and even solar panels. Our range of refurbished large domestic appliances is also growing steadily.

And they are not only available to customers. Since September, our employees in Ingolstadt have been quite literally taking sustainability into their own hands by using refurbished premium smartphones.



Our target:

220,000

refurbished devices
sold in FY 2025/26



> 99 %

of all returns are put back on sale, thereby avoiding wasting resources.

Coming and going: Returns

Almost all returned products can be put back into circulation. This is thanks to ongoing process optimization as well as intelligent marketing across our stores, online marketplaces and external partners – and many years of experience.

Our returns go through the same process in every country: Customers send products to the central national online warehouse or return them in store. Products

that are in undamaged original packaging are put back on sale directly. If the packaging has been opened or the product has symptoms of unknown damage, we conduct visual checks and functional tests. Depending on the outcome, the devices or appliances are prepared for resale in accordance with their product group. We restore IT devices to factory settings and erase their internal memory. Large appliances that involve water circulation are cleaned and descaled in addition to the functional test. Missing accessories are ordered and replaced. Products are only recycled if we are unable to test them or if they are returned with broken glass, for example.



2.2.8 Waste management

Less is more: waste management

Our business activities generate waste – in our stores and offices and on the part of our customers. We understand the impact on the environment. Fortunately, we also know the right way to deal with waste. Firstly, we are constantly working to further reduce the volume of waste. Secondly, we have waste separation processes in place, train our colleagues and regularly monitor waste management practices. In addition, we work exclusively with certified disposal specialists. To assist our customers with recycling, we take back old electrical devices as well as packaging waste free of charge.

Returned old devices constitute a significant waste category for us. Their return and recycling is regulated by the Waste Electrical and Electronic Equipment Directive and the corresponding national laws in the European Union. Our customers can return their old devices to stores or we can take them back when delivering a new device. This applies in all EU countries where we operate, both for our stores and our online shops. We also offer disposal stations for batteries and light bulbs in our stores.

Returned old electrical devices in tonnes (2022/23):

Belgium	14,493
Germany	43,556
Italy	860
Netherlands	1,502
Austria	3,622
Poland	1,284
Portugal	305
Sweden	64
Switzerland	861
Spain	7,404
Türkiye	3
Hungary	1,701
Total old electrical devices	75,655

What's outside counts: packaging waste

In financial year 2022/23, we recycled around 27,400 tonnes of packaging waste throughout the Group. In order to further reduce this figure, we put a new, automated pack-to-good packing machine into service in Spain last year, for example. The machine tailors the packaging to the product, thus removing the need for outer packaging and filling material.

Packaging waste in Germany in tonnes:

Paper, card, cardboard packaging	8,851
Mixed packaging (for recycling)	2,808
Wood	2,470
Film	1,083
Polystyrene	1,301
PP straps	98
Total packaging waste	16,611

Social

Responsibility for people and society

We are an international retail company. We know that our actions have a direct impact on lots of people and on society. With this in mind, we are in no doubt that we also bear social responsibility. We are responsible for our approximately 50,000 employees, for whom we provide fair working conditions and whose development is close to our hearts. We are responsible for the people in our supply chain, whose rights we protect. And we are responsible for the communities around our stores, of which we are also part.

3.1 Responsibility for employees

Experiencing technology – with 50,000 employees



“Our employees are the heart of our company. Their engagement, passion and skills, as well as their diverse talents, backgrounds and perspectives, are the key to our success – especially in our stores. We nurture this potential through targeted employee development, a respectful, innovative working culture, and cooperation in diverse, international teams.”

Iris Prüfer, Chief HR Officer

“Experience electronics” means that we make technology come alive – for a life full of possibilities. This is why we need our employees. What is more, they are the central pillar of our corporate strategy.

We place considerable value on the development and promotion of our employees and on fair and responsible working conditions for all. We do not see a diverse workforce as a challenge, but as a prerequisite for shared, long-term success. We have a name for this: “employee experience” – all our employees’ experiences with us as their employer.

3.1.1 Our progress



Share of female employees

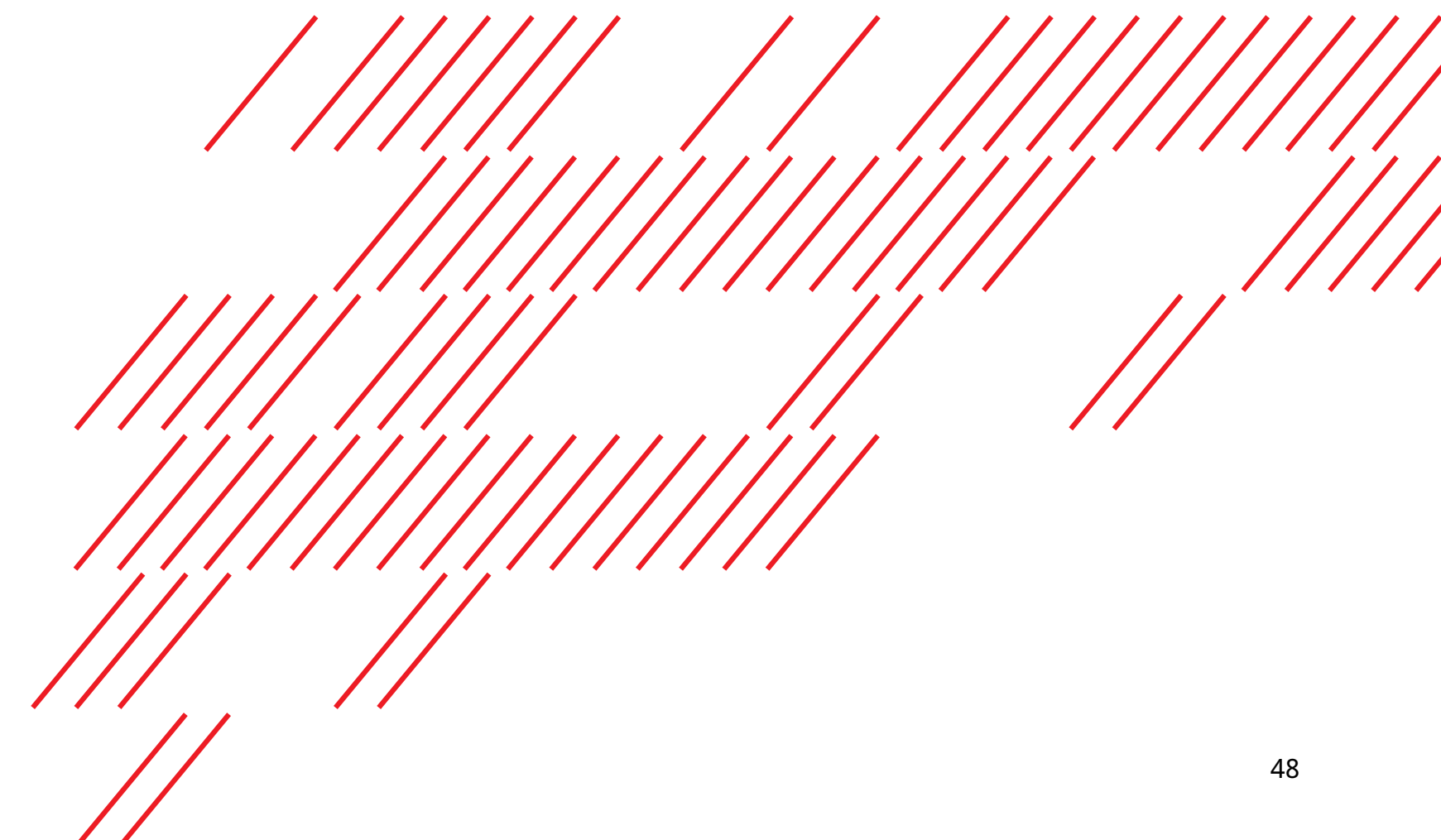
39.4 %

Women in management positions

22 %

Part-time ratio

31.4 %



3.1.2 Development and talent promotion

Win-win: developing potential together

We encourage life-long learning among our employees and invest in the constant refinement of their skills. We will thus overcome the challenges we face in retail and secure our ongoing growth.

In addition, we will raise our profile as an attractive employer and can successfully compete for talented employees in the long term. The “war for talents” is escalating markedly. This brings genuine challenges, especially for companies driven by specialized person-

nel. To take pole position here, we have established targeted staff development programmes for issues such as digitalization and customer and service focus. These comprise education to provide product and service expertise required in the sector and other training to improve soft and hard skills for employees’ own personal and career progression.

After the successful completion of the Group-wide “Passion4Customer” programme, we shifted focus to another strategic issue this year: “Services & Solutions”. By the end of 2023, a seven-part workshop series will empower all our store employees to find individual solutions for our customers and give them a “usage experience” in line with our strategy. Another overarching training topic is sustainability. In five modules, we imparted extensive knowledge to all employees on the topics of climate and circular economy, responsibility in the supply chain and our own commitment to sustainability. Depending on the business area, this training was mandatory.



Young, talented and nurtured

In addition to central initiatives, we also nurture our young talent in their own countries. A strong example of this is the Hungarian “Leaders of Tomorrow” programme, a Leadership Academy in which we provide workshops and cultivate pools of talent. In Poland and Germany, we run a special programme for prospective store managers: Using webinars and in-person training sessions, we assist their induction into the new management role over several months.

We also continued to professionalize our talent acquisition itself this year. This centres on a new employer branding campaign – borrowing from our “Let’s go” brand campaign, it uses images of our colleagues. In addition, we have launched new international career websites and rolled out the “SAP myRecruiting” application system in all country organizations. Step by step, we are thus optimizing our systems to make the application process as attractive and easy as possible.

Leadership can be learned – with us

But we are not only thinking about the executives of tomorrow. This year, we have introduced four new initiatives for the ongoing development of our current management. We are offering two new development modules especially for our senior managers at German stores. Internationally, we have built up a pool of talented employees who we are preparing for their management role in a nine-month learning journey. This involves teaching on leadership and cultural topics, coaching and mentoring. We are mindful of equal opportunities and have achieved gender balance in the nominations for the new group. In parallel, the programme was also conducted with a regional group of German sales managers.

Learning at the click of a mouse: our e-learning

The ability to learn whatever, whenever and however you want – our growing e-learning platform is still hugely popular in all countries. The digital training encompasses specialist content, leadership topics and subject-specific communication platforms with regular events. These include the “LEAD” format for executives in Germany, for example.

Our country organizations have won several awards for our varied development opportunities. In Austria, for example, our stores in Vienna, Tyrol and Vorarlberg have again been designated as top teaching facilities. For the same reason, our national HR departments, such as in Poland and Switzerland, are also frequently mentioned in trade journals and invited to attended conferences.



Giving our employees a say with our employee survey

You can only cater to values and opinions if you know what they are. We therefore carry out a comprehensive survey of our employees twice a year. This enables us to offer our employees a safe and attractive working environment while assessing our appeal as an employer. We use the results of the survey to derive concrete targets and measures. We also offer relevant training to ensure that all executives can properly evaluate the results.

This summer, we carried out the Group-wide employee survey for the fifth time. The response rate remained high. As a result of the most recent surveys, we implemented the following initiatives in financial year 2022/23:

- ✓ In Poland, we took numerous measures for improved cooperation. For example, these included “hand-to-hand meetings” in the stores and communal breakfasts on Black Friday and Saint Martin’s Day. The Polish CEO also attended some of the events.
- ✓ In Austria, we stepped up our communication with our employees in business updates and at breakfast events with the management.
- ✓ In the last financial year, the Dutch management successfully presented the results of the survey, our strategy and specific measures at numerous stores. This year, we expanded this “roadshow” to involve more participants and additional locations. In addition to dialogue with employees, there was a focus on updates on strategic issues.
- ✓ We are also continuing our “Empower to Win” academy programme – with a modern learning experience and new content. The extensive programme offers store employees in Germany a six-month development pathway, among other things.
- ✓ And in Switzerland, “Objectives & Key Results” were introduced for all employees. In this system, colleagues define their own measures and milestones for their individual targets, which they can view at any time. They can also comment on their progress online.



3.1.3 Working conditions

The promise of fair and responsible working conditions

Our employees are our biggest asset. We owe them good and fair working conditions. We use various measures to put this into practice every day. For instance:

- ✓ We have a binding Code of Conduct and an anti-discrimination policy.
- ✓ We implemented the amendments to the Nachweisgesetz (German Act on the Notification of Conditions Governing the Employment Relationship) that came into effect in Germany in 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, including in recruiting, we apply the dual-control principle to protect employees as well as applicants from any arbitrary actions of individuals.
- ✓ If our employees experience any violations of their rights or hear about them, they can contact their superior. Alternatively, they can use our anonymous reporting system that initiates a structured clarification process.

Further information can be found in the [Governance section >>](#)



Responsible conduct when it comes to human rights is non-negotiable 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". We are also a member of the retail association, in which we work on various committees to help design and develop working conditions in our sector, in particular regarding fair collective bargaining agreements.

Right to codetermination

All employees have the right to freedom of association – this is also expressly outlined in our Code of Conduct. In addition to regular Works Council elections in Germany, for example, new delegates for the European Works Council (Euro Forum) were also elected this year. Elections of employee representatives for our Supervisory Board were also held as scheduled.

On 14 September 2023, the newly elected Euro Forum held its constituent meeting and elected its chairperson and the Euro Forum SteerCo. This body is planning and preparing the first Euro Forum meeting.

Cooperation based on trust and open dialogue with elected employee representatives is important to us. We have established good, regular communication between our management bodies and the employee representatives. All our activities are based on the principles of fair working conditions and social partnership. We regularly keep our employees and employee representatives informed of our business, collect their feedback and observe codetermination rights. What's more, we also encourage our executives to create an open, trust-based working environment where all colleagues can share their ideas and concerns.

The cross-company “social dialogue” between the Works Council chair of the German country organization and our Management Board and selected representatives took place on 13/14 September 2023 in Ingolstadt. The agenda included an overview of our strategy, current initiatives and new business models, business updates and open communication between employee representatives and management.

We hold a store works council conference three times a year. Following the merger of our two brands, MediaMarkt and Saturn, we have also established an event format for all sales channels at the request of our works council colleagues. Here, we present current issues as an employer and discuss them with social partners.



Career or family. Why say “or”?

Not every job allows the same amount of flexible work or working from home. But because we want all colleagues – whether they work in a store or in administration – to be able to combine their private lives and their career, we offer the most flexible working time models possible.

We piloted a mobile work concept for the administrative locations in Germany over several months. We thus want to make it possible for most of our colleagues to work 50 per cent of their hours outside their company place of work. Mobile work is also improving work-life balance in other country organizations such as Poland, the Netherlands, Hungary and Austria.

Since 2010, we have operated a long-term HR policy that takes account of family considerations and different life stages by way of the “berufundfamilie” audit. The certification has been confirmed for two of our subsidiaries. At our headquarters in Ingolstadt, we provide childcare in the summer holidays and on the “Buß- und Bettag” public holiday.

We provide financial assistance for holiday care by the “Ingolstadt Bündnis für Familie” alliance, and we are a member of the “Mobile Familie e.V.” association. Expecting parents can attend the monthly “Becoming a parent at MediaMarktSaturn” event, which provides considerable information on everything from legal provisions to returning to work. We also support our employees when they find themselves suddenly needing to provide care. For this, we have brought in care experts from WDS.care. The WDS.eldercare programme, which provides support and mediation services, is available free of charge for our employees and their relatives.

Thanks to our measures to promote a work-life balance, we have positioned ourselves as an attractive employer, with our Spanish country organization being named a “Great Place to Work” once again.





Be healthy, stay healthy

We are constantly working on high standards to protect our employees in the workplace. Our internal occupational safety experts and external partner firms regularly inspect our administrative locations and stores in order to identify or prevent hazards at an early stage. Our employee representatives, such as the Works Council and safety officers, attend regular Occupational Safety Committee meetings together with the management bodies, occupational safety experts and company doctors. Regular communication between countries allows us to share general measures and best practices.

We provide our employees with regular training on occupational health and safety and fire safety. The training sessions take place during working hours and are adapted to the employees' workplace. We also carry out site-based safety training such as evacuation drills, and we offer occupational medical care from our licensed company doctors, which our employees can access during working hours.

There's even more good news:
Our sickness-related absence rate fell to

4.0 %

in financial year 2022/23 (2021/22: 4.2 %)

Always available: health promotion

A healthy mind in a health body: The promotion of our employees' health is a permanent feature of our organization. Our offerings include preventative programmes to encourage more exercise, healthy eating and mental health. Many of these can be used directly at our administrative locations or in our stores, such as the "Active break, movement at work" initiative.

Since May 2022, we have offered the subsidized company programme "EGYM Wellpass" in Germany. This extensive fitness offer has now been taken up by nearly 2,000 colleagues, who can exercise at more than 7,500 partners across Germany, such as gyms, yoga studios, swimming pools and climbing gyms. There are also more than 4,000 online courses and access to an app for nutrition, resilience and mindfulness. Two other apps are free to use: Firstly, "HUMANOO" provides exercises to prevent the neck and back pain that office workers so often suffer from, as well as holistic digital health management. Secondly, "Mein Phileo" is an app for preventing stress in the workplace.

We have also launched a health initiative for our stores in Germany together with DAK. 'Health Days' were organized at eleven pilot stores. Individual campaigns raise awareness of preventive health care among our employees and executives. 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 free of charge every two years.



3.1.4 Diversity, equality and inclusion

Come as you are: diversity, equality and inclusion

Our employees are as diverse as our customers. Colleagues from 133 nations, of every age and gender, and various ethnicities and sexual orientations are brought together and have found their place under our roof.

We see our diverse teams as a strategic advantage. Thanks to their diverse talents, experiences and perspectives, we are able to consider all viewpoints and approaches and make the best possible decisions. At the same time, our commitment to diversity, equal opportunities and inclusion ensures that our employees feel appreciated and listened to and that they belong. We create a culture and an environment in which colleagues can exploit their full potential, both professionally and privately, make use of their skills and keep developing them – regardless of who they are and where they come from. We have also enshrined “cooperation in diverse teams” as a distinct goal in our corporate and management principles.

We create the basis for this understanding with our Code of Conduct. In an international team, we stand shoulder to shoulder to make diversity, equal opportunities and inclusion a permanent feature of our country organizations and to take appropriate action. In addition, we have been a signatory of the Diversity Charter for over five years. This likewise commits us to diversity and equality at our company.

Where tolerance ends: discrimination

We adopted our new anti-discrimination policy in the last financial year. It is the basis for our “Sexual Harassment and Discrimination at Work” campaign, with which we create greater awareness of these issues via top management communication and videos, for instance. At the same time, our international Leadership Team has undergone “Executive Decision Making” training – in order to understand how unconscious bias can influence everyday work and how they can make impartial decisions. We will provide all employees in stores and head offices with unconscious bias training in the next financial year.



In our own interest: we empower women

We have put the promotion of women at the top of the agenda. Here, we are continuing to build on our successful “Women in Retail” initiative and taking it to a new level internationally. Our vision is to be the leading employer for ambitious women in retail.

The highest management level is represented by the top 150 managers: executives, members of the (country) boards, (Executive) Vice Presidents, heads of the largest companies and individuals with high potential from the international talent programme.

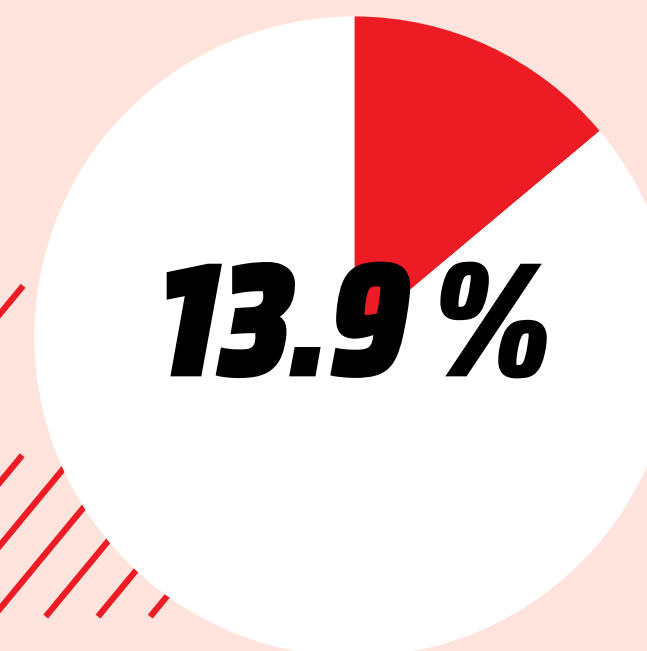
We have discussed and agreed targets for recruitment and succession in order to control the representation of women at the top two management levels. The employee structure at level 2 is mainly influenced by the country boards. The managements of all countries have made firm commitments to increase the proportion of female executives, which our CHRO and the Executive Committee will regularly track from now on.

Our female colleagues in Poland have implemented several social media campaigns that playfully address prejudices against women and encourage them to apply for jobs in our industry. In Spain, a programme focusing on the development of female executives continued in cooperation with ESADE Business School – a similar programme is currently being prepared in Hungary. And in Germany, we have successfully piloted a mentoring programme that makes our female talents more visible and establishes networks.



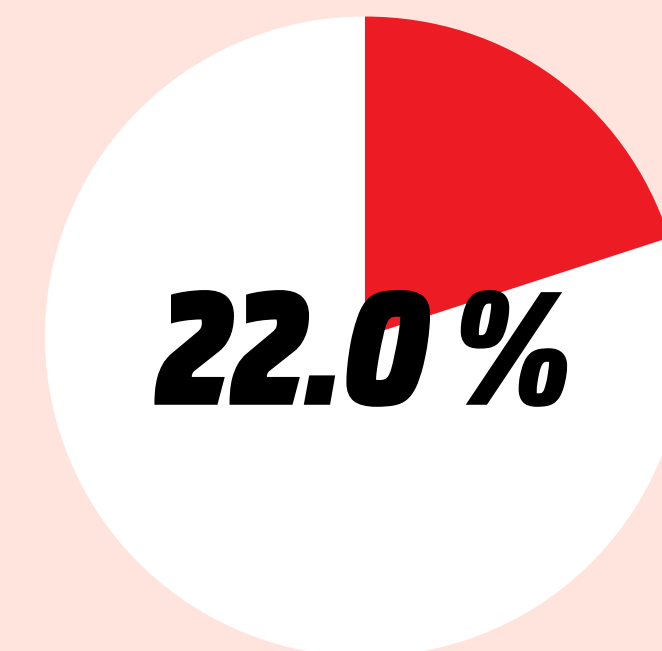
Share of women at CECONOMY 2022/23

Share in the top two management levels (level 1 and level 2)



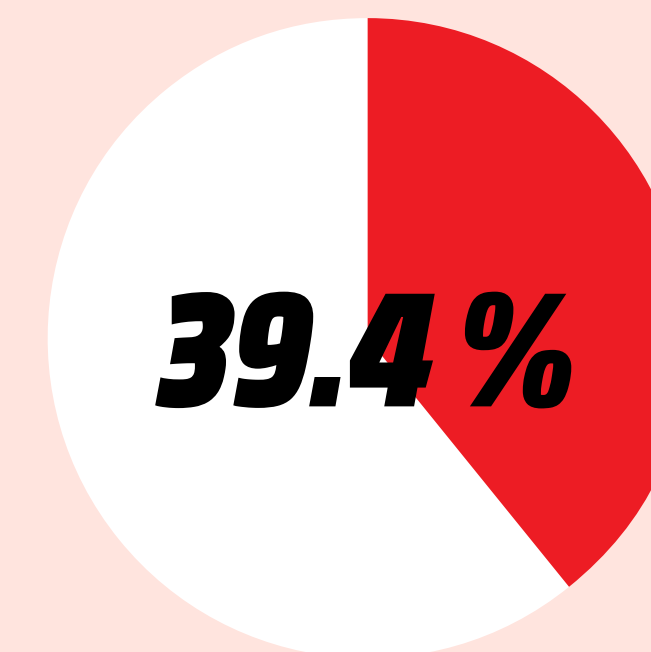
2021/22: 13.9%

Share in management positions (level 1 to 3)



2021/22: 21.9%

Share in the total workforce



2021/22: 39.3%

3.2 Responsibility in the supply chain

Fair trade: cooperation for people and the environment



“Our employees, customers and suppliers expect a responsible partner on whom they can always rely – including in matters of human rights and the environment. We take our responsibility very seriously and place sustainability at the heart of our strategy. As Human Rights Officer, I champion this approach and do not hide behind formalities.”

Dr. Roman Stenzel, Vice President Legal and Human Rights Officer

We unconditionally respect the labour and human rights of everyone affected by our business activities. But further still, we consider it our duty to actively help enforce these rights through our own actions. We not only apply this standard to our own colleagues, but also support our suppliers and partners in protecting human rights.

As a consumer electronics retailer, we sell brand products from internationally renowned manufacturers and products from our own-brand company. Our relationships with suppliers are therefore essential.

3.2.1 Our progress

Long-term IMTRON
supplier relationships

73%

(> 5 years)

Successful audits at
IMTRON production facilities

98.8%



3.2.2 Due diligence requirements in supplier management

Supplying sustainability: our supply chain

It is important to us that all components of sustainable supplier management are implemented on the basis of a human rights due diligence process. We take a risk-based approach for due diligence compliance: In accordance with the Lieferkettensorgfaltspflichtengesetz (German Act on Corporate Due Diligence in Supply Chains, LkSG), we conducted a comprehensive, software-supported risk analysis of our supply chain and an international risk analysis of our own business area with regard to human rights and environmental aspects in financial year 2022/23. In doing so, we identified priority risks and made them transparent, especially with regard to our direct suppliers.

The analysis of HR and occupational health and safety in our own business operations found no material human rights risks. In terms of the environmental risks named in LkSG, potential for improvement was identified with regard to end-to-end processes to minimize the risks associated with pollutants.

We publish the risks identified by our analysis in our policy statement on human rights. This statement reflects the standards we set for ourselves – and for our suppliers.



Across the supply chain, only 0.89 per cent of our direct suppliers were classified as high-risk (255 suppliers out of a total of 28,586, of which 60 goods suppliers and 195 non-goods suppliers).



On firm ground: employee training

So that all business areas involved in the procurement process have the necessary information, we developed sustainability training for our employees in the last financial year, making particular reference to our obligations and measures in the supply chain. We also inform and train our suppliers themselves, and have therefore created a website that educates them on legal requirements and outlines our expectations and support.

Say what you see: whistleblowing system

How we handle violations and irregularities is also important to us. We have therefore established a whistleblowing system that enables us to report human rights risk and violations quickly and easily. All employees as well as third parties can use the system to anonymously report any suspected human rights violations, regardless of whether they occurred within our company or in the supply chain.

Further information on the whistleblowing system can be found in the [Compliance section >>](#) or [here >>](#)

3.2.3 Supplier management for our own brands

Audited and approved

As well as brand products, we also sell items from our own brands ok., KOENIC, PEAQ and ISY – managed centrally by our subsidiary IMTRON. IMTRON is in charge of its own supplier management.

As a member of amfori BSCI, IMTRON 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 these audits were successful.

Responsible suppliers

IMTRON has its own procurement policy for the supplier management system. This takes account of our CECONOMY 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 products and goods-related services. Our Supplier Code of Conduct is a mandatory component of all product-related purchase contracts. 100 per cent of IMTRON suppliers again pledged to uphold its provisions as of the end of financial year 2022/23. In addition to this contractual obligation, the successful operation of the amfori BSCI social standard system is mandatory for each individual order.

One of IMTRON's long-term goals is the sustainability of its suppliers. Long-standing business relationships are vital when it comes to supporting them in their progress: IMTRON has worked with 73 per cent of active suppliers for more than five years (2021/22: 59 per cent, 2020/21: 54 per cent).

Successful BSCI audits

Share of suppliers successfully audited



2020/21: 97 %; 2021/22: 98.8 %



3.3 Social engagement

For a life full of possibility

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

We developed our corporate citizenship strategy in the last financial year. In the years to come, we will transform our currently reactive engagement into active corporate citizenship. We will give our initiatives a sharper focus and thus make a greater social impact. In terms of content, we have one main focus here: digital participation. With our products, services and expertise, we can best 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. Our previous social engagement at local level will be maintained, and we will continue to provide support in emergencies.



3.3.1 Our progress

Children supported in the
Turkish earthquake zone
by the end of 2027

20,000



Donations in euros to
charitable organizations

1.9 million



3.3.2 Projects

In good times and bad: commitment to local communities

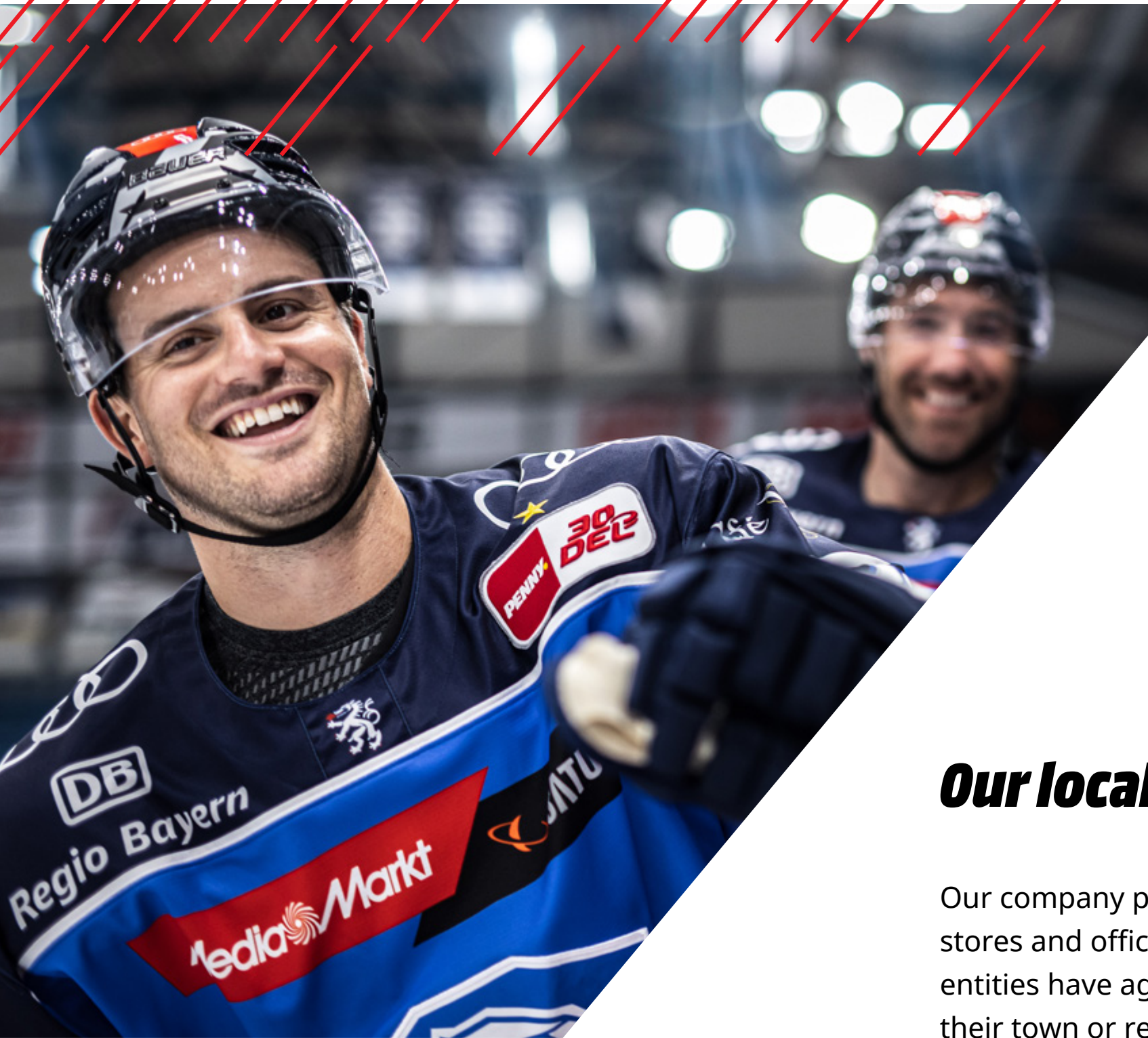


Our earthquake aid in Türkiye

Just a few days after the devastating earthquake in Türkiye, we were able to supply the people there with heaters, torches and batteries. In addition to this immediate assistance, however, we are mainly involved in an extensive project for sustainable reconstruction: Together with the Turkish organization TEGV, we are providing four mobile learning units to secure basic education in the areas affected by the crisis.

The units will be used for at least four years and will help a total of 20,000 children. The project was selected by our colleagues in Türkiye – who will also support it as volunteers in the years to come. We have provided financial support to affected employees in other country organizations.

You can find our project film on emergency aid [here >>](#)



Our engagement for digital participation

We have built on our strategic corporate citizenship with projects relating to digital participation. Two examples: The Italian country organization has renewed its partnership with the organization Syx (tech courses for girls) and started a project for digital inclusion in schools. In Ingolstadt, we have firstly supported the extensive programme of the media education centre and secondly expanded our cooperation with the “Digital for all” project group, which promotes the digital inclusion of people with disabilities. Thanks to our donation, all working groups in the region can be equipped with suitable technology products.

Our local contribution

Our company purpose also includes engagement in the localities of our stores and offices. Throughout the Group, country organizations and store entities have again donated to local non-profit organizations, helping make their town or region a place worth living. Our social engagement is especially deeply engrained at our headquarters in Ingolstadt. Here, we support sporting and cultural life in long-standing partnerships. The main feature of our social engagement here is our tradition of employee donations, the proceeds from which are doubled by the company. The money raised is donated to non-profit organizations – including those proposed by employees. This year, our largest donation went towards extensive aid for women and their children at risk of homelessness.



Governance

Far-sighted governance

For us, sustainability is a matter of course. Far-sighted and forward-looking governance is therefore one of the foundations of our success. Governance that extends into the supply chain. Governance that is already thinking about the future and makes decisions based on ethical, moral and environmental concerns. For this reason, the right governance is also crucial for ESG targets. This can be found in transparent, secure structures and processes that are impeccably and responsibly implemented and held up as examples. Here, we include standards and sustainable practices, compliance with ethical codes and the avoidance of conflicts of interest. The challenge is how to handle the social and legal environments and varying cultures of our country organizations.

We put sustainability at the very top: in our Management Board

Responsibility for our sustainable transformation lies at the highest level – with our Chief Executive Officer. He is in charge of our sustainability strategy and tracks our targets and progress. Both internally and externally, he ensures transparency and strengthens the conditions of our sustainability initiatives. We also discuss our targets, strategy and measures with the Supervisory Board in regular meetings.

Our Sustainability department controls the implementation and further development of our sustainability strategy. It promotes dialogue with internal and external stakeholders, drives communication and helps the countries and departments with implementation. Sustainability managers in the country organizations propagate our sustainability concept and derive local activities.



4.1 Compliance

Better safe than sorry



“Compliance is always the foundation for a sustainable and successful company.”

Kai Schumacher, Vice President Compliance

Our CECONOMY Code of Conduct is central to our company-wide value base. It not only highlights compliance with the law, but also our clear commitment to transparency, integrity, fairness and respect for others. Violations entail considerable risks to the company and can result in a loss of reputation – so they are not tolerated under any circumstances. We investigate and punish any abuse of position for personal advantage, for the benefit of a third party or to the detriment of our company.

Our Code of Conduct specifies precise compliance standards for all employees. It is supported by Group-wide antitrust, data protection and anti-corruption guidelines. Furthermore, there are clear guidelines at our Group companies and country organizations that are tailored to the local situation. Together with their employment contract, every employee receives a copy of the current Code of Conduct, which they confirm in writing. New employees are provided with basic information on anti-corruption, conflicts of interest, data protection, antitrust law, money laundering and our guidelines in mandatory online and in-person training. And they know that violations of our Code of Conduct can be reported – anonymously, if desired – via our whistleblowing system.

Our compliance management system includes a series of controls and assessments that guarantee compliance with our standards and identify risks early on. These include our internal control system and Group-wide corporate risk management, which tracks, analyses and manages corporate risks at Group level. Separate risk assessments for the sustainability, compliance and anti-money laundering areas are also incorporated into corporate risk management. The derived measures are also used for prevention and improve our internal procedures and training. The Internal Audit department checks the effectiveness of our risk management as another

governance body. We also apply this risk-based approach in business partner screening for our Marketplace and IMTRON. This includes the prevention of corruption and money laundering risks in addition to checking the sanction lists.

And we are continuously enhancing our compliance system with various communication and training measures, regular tone-from-the-top messaging and the consistent implementation of a zero-tolerance approach to compliance violations. Our goal is to establish a single, company-wide compliance culture.



4.2 Data protection and information security

In a secure position: our data protection



“Sustainability in retail is not only the responsible treatment of our environment, but also the protection of our digital landscape, our data and the data of our customers within the framework of “digital trust”. This is implemented via high standards of cybersecurity and is a sign of our commitment to a secure and stable future at MediaMarktSaturn.”

Oliver Scherer, Engineering Delivery Lead

As an international consumer electronics retailer, we are driving digitalization, including with the intelligent networking of data and information. And this can affect the rights and freedoms of individuals. We therefore set great store by the secure handling of the data of our customers, employees, business partners and investors.

Because we know that data misuse can occur in a digital environment, we always keep data protection and information security in mind – and effective measures up our sleeve. Millions of customers entrust their data to us when they shop online. We also collect personal data from our employees and business partners.

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



The privacy team: for secure data in operation

We take numerous strategic and organizational measures to meet the requirements of the GDPR, taking into account the balance between business requirements and compliance challenges. We implement necessary measures on accountability and data protection management, documentation, duties to provide information and the rights of data subjects on an ongoing basis. A specially created privacy team ensures compliance with data protection standards in our Group. The team is the central point of contact for all national and international companies. It provides advice or training on necessary technical and organizational measures as well as support for the collection, processing and deletion of personal data on customers, partners and employees. Its constant 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. With internal audits and regular dialogue with the competent data protection regulators, we ensure 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 data subjects. All stakeholders can report data protection incidents or potential for improvement using central e-mail addresses. Our teams review and respond to every single report.

To raise awareness of the extensive data protection requirements among all colleagues, we run annual mandatory training sessions, either in person or online. This particularly benefits managers and all employees who have access to sensitive data. We have also introduced a data protection management system to systematically establish data protection in all business units – it is being continuously updated.

Almost like Fort Knox: our data

We earn the trust of our customers, business partners and other stakeholders with data protection and information security. The possible threats in retail include the failure of IT-based business processes, IT security incidents and cyberattacks. We aim to prevent these threats and the financial damage they cause, safeguard the principles of confidentiality, availability and integrity, and protect privacy rights. Information security allows us to holistically analyse our risk and security situation and provides the technical foundation for implementing data protection in operations.

In terms of strategy, our aim is to raise awareness of security among all company employees and to expand security architecture, technology and capacity. This strategy prepares us for the future and allows us to respond to the latest requirements at an early stage, including the growing online share and the risks arising from the increasing professionalism of hackers. We continue to invest in raising awareness among all employees of risks such as CEO fraud and phishing. Classroom training and online training are mandatory, with regular phishing simulations also introduced this year. Our top management also takes part in this.

The introduction of our information security management system was operationalized by the establishment of a dedicated team for "Cybersecurity Risk & ISMS". Its task is to harmonize IT security readiness, guidelines and information security risk management at a global level. We also significantly expanded our management of information security incidents in terms of both personnel and technology. We are therefore able to counter the growing threat of attacks on our systems. In addition, we now have an incident response retainer to ensure that we can easily handle major threats, attacks and crises. Regular training of incident processes increases our response capability. Our initiative to identify software errors and security vulnerabilities particularly serves the continuous improvement of our services available online. The establishment of holistic vulnerability management allows us to respond significantly faster to identified technical risks.

Around

46,000

employees received training
in financial year 2022/23

4.3 Taxes

Taking responsibility: taxes

Taxes are of course a must. Our tax strategy is built on the system of values in our Code of Conduct – which holds that social acceptance is a key tenet of economic success.

No question: We pay the taxes levied in the countries in which we operate and obey their tax laws and rules. Because we know that this money helps fund vital investments in local education, research and infrastructure, we oppose all forms of tax evasion – by ourselves and by our business partners. We follow this principle in all business activities. We comply with tax transparency regulations and initiatives, in particular country-by-country reporting.

We operated in 13 countries in financial year 2022/23. 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.

Partnering with tax authorities is important to us and so we maintain a transparent and constructive dialogue with the local tax authorities. Our Management Board has installed a tax compliance management system to ensure that tax obligations are properly met. The basic concept and minimum standards of this 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.





Outlook

As far as we are concerned, sustainability is non-negotiable – indeed, it is an integral part of our corporate identity. This is why we are continuously expanding our sustainable range of products and services in connection with the circular economy. We are increasingly offering customers guidance on responsible consumption while simultaneously stepping up our efforts to reduce emissions and conserve resources in our business operations. We are increasing the number of sustainable products and placing even greater emphasis on energy-saving appliances. We are also driving the circular economy by expanding our range of refurbished products and extending our trade-in service to additional product groups. At the same time, our extensive repair services and our new repair subscription, myMediaMarkt+, enable our customers to use their devices and appliances for as long as possible.

We are committed to sustainable action in all business processes. Our immediate goal by the end of the next financial year is to achieve net zero emissions in energy procurement for our stores, administrative locations and vehicle fleet. We are also refining our sustainability approach in the supply chain by continuously minimizing risks in cooperation with our suppliers and increasingly incorporating sustainability principles into our procurement processes. We define and implement suitable sustainability measures and require our suppliers to do the same. We are working to further reduce the carbon footprint generated by the manufacture and use of our own-brand products. Moreover, we are continuously optimizing our packaging materials in order to reduce resource consumption. Moving forward, we will make greater use of electric vehicles to deliver to our customers. Our aim is to cultivate options for emission-neutral delivery in more than 80 cities by financial year 2025/26.

We firmly believe that we can make a huge difference as Europe's largest consumer electronics retailer.



General information

Publisher

CECONOMY AG
Kaistraße 3
40221 Düsseldorf

CECONOMY AG online

www.ceconomy.de

Sustainability

sustainability@mediamarktsaturn.com

Investor Relations

IR@ceconomy.de

Corporate Communications

presse@ceconomy.de

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