

CECONOMY



CECONOMY EU Sustainable Consumption Pledge

Duesseldorf, March 2023

Achieving ambitious sustainability goals is an ongoing journey. That is why, since successfully participating in the Green Consumption Pledge Initiative since 2021, CECONOMY is proud to say: We stay focused and continuously commit to a more sustainable future. As Europe's largest consumer electronics (CE) retailer, we are determined to take a leading role in tackling the global climate and social issues. We strive every day to create impact experiences for our customers that enable more conscious consumption and a more sustainable lifestyle. This embraces climate and resources, as well as social aspects: We offer the most sustainable range of CE products and are pioneers in the circular business in Europe.

We also take social responsibility for our employees, suppliers and the communities around our stores. Expectations that we set out for our suppliers in terms of human and labour rights standards are based on the internationally recognized principles, such as those outlined by the International Labour Organisation (ILO) and the United Nations (UN). In line with the German Supply Chain Due Diligence Act, we take a risk-based approach to the human rights topic, supported by a dedicated internal policy framework and due diligence mechanisms. This year, we will also implement social sustainability criteria as an essential part of our procurement policies and guidelines.

Participating in the Green Consumption Pledge was a promising start. Now, however, we want to set an even stronger example within our sector. Being given the opportunity to expand our scope with this year's pledge motivates us even more. We are determined to increase sustainability by reducing our carbon footprint as well as environmental impact and enhancing the circularity of our products while maintaining the highest standards of social sustainability.

By joining the Sustainable Consumption Pledge Initiative, CECONOMY and its MediaMarktSaturn Retail Group pledge as follows:

Pledge #1 – CECONOMY commits to calculate its carbon footprint and reduce its carbon footprint with the following pledges:

- CECONOMY pledges to reduce its carbon emissions for Scope 1 & 2 by 4.2 % per year, in accordance with a 1.5 °C scenario until 2030, compared to baseline year 2019, measured by the Science Based Target Initiative methodology.

- CECONOMY pledges to reduce its carbon emissions for the relevant Scope 3 of its own brand products by 3.0% per year in accordance with a well-below 2 °C scenario until 2030, compared to baseline year 2022, measured by the Science Based Target Initiative (SBTI) methodology.
- CECONOMY pledges to reduce its carbon emissions for the relevant Scope 3 of its transportation and distribution by 3.0% per year in accordance with a well-below 2 °C scenario until 2030, compared to baseline year 2022, measured by the SBTI methodology.
- CECONOMY pledges to engage 80% of its retail suppliers to set own climate targets in accordance with the SBTI framework until 2027.
- The data used to calculate and report in relation to the targets set is being third party verified through the company auditor.

Pledge #2 – CECONOMY commits to calculate and improve the environmental performance of the company with the following pledge:

- CECONOMY pledges to increase the number of sustainable products (BetterWay products) in its assortment to 6,000 unique products by the end of 2025 compared to 1,200 products in base year 2021. A product is considered sustainable as it is:
 - Labeled by a Type 1 Ecolabel including EU Ecolabel, Blue Angel, EPEAT and TCO Certified.
 - For product groups without Type 1 Ecolabels in place, the product is among the most energy efficient products based on the EU Energy Label, or among the most repairable based on the French Repair Index, and the additional BetterWay criteria as described on <https://www.mediamarktsaturn.com/en/sustainable-products>. The BetterWay criteria were developed in collaboration with an independent testing service provider.
 - Product groups without Type 1 Ecolabels, EU Energy Label nor a French Repair Index score can be considered BetterWay, if the product is made up of at least 50% recycled content.
 - The data used to calculate and report in relation to the targets set is being third party verified through the company auditor.

Pledge #3 – Availability of information. CECONOMY pledges to annually publish the targets and progress on all the above-mentioned in its Sustainability Report, annual Non-Financial Declaration, and corporate websites.

Dr. Karsten Wildberger,
CEO CECONOMY AG

Dr. Kai-Ulrich Deissner,
CFO CECONOMY AG