



Policy Statement
On Respecting Human Rights and the Environment

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“Betterment of conditions the world over is not essentially dependent on scientific knowledge but on the fulfillment of human traditions and ideals.”

- Albert Einstein

1. Preface

The health-related, economic, and social challenges of recent years have clearly highlighted the inequalities in global societies. At the same time, these developments have revealed the close interconnections between companies and people. Companies can only achieve sustainable economic growth if the communities within which they exist also show positive development. That is why our focus is on people. As a leading auditing and consulting firm, Deloitte Deutschland GmbH Wirtschaftsprüfungsgesellschaft¹ (hereinafter “Deloitte”) is aware of our responsibility, and we also use our global economic activities to help strengthen human rights and environmental protection.



Given this background, Deloitte has developed a sustainability strategy that corresponds to our corporate objectives, with the goal of promoting sustainability from an integrated perspective. The strategy is supported by three pillars: “People - Planet - Performance.” We integrate sustainability into our entire business model and all of our services. At the same time, we help our customers and partners act in a responsible, successful and resilient way.

Deloitte’s commitment to observing human and environmental rights is laid out in our [Shared Values](#) and is reflected in the [Global Principles of Business Conduct \(“Global Code”\)](#) and the [“Commitment to Responsible Business Practices”](#) for the global Deloitte network.

This commitment to human and environmental rights applies to employees in our own business area as well as to participants in our supply and value chains. The goal is to support and protect the rights of people and communities throughout the entire supply and value chain with the support of all our business partners.

This Policy Statement on social responsibility and on respecting human rights and the environment affirms our binding, long-term commitment to these fundamental issues. Together with our clients and customers, suppliers and other stakeholders, we aim to follow our mission statement:

“Making an impact that matters.”

Thank you for joining us on this mission.

Volker Krug

*Nicolai Andersen
Nathan Houser*

Deloitte Deutschland GmbH
Wirtschaftsprüfungsgesellschaft

Deloitte
Consulting GmbH

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

¹ Under the management of Deloitte Deutschland GmbH Wirtschaftsprüfungsgesellschaft, the respective subsidiaries and Deloitte Legal Rechtsanwalts-gesellschaft mbH make up the German Deloitte Group. In particular, this includes Deloitte GmbH Wirtschaftsprüfungsgesellschaft and Deloitte Consulting GmbH.



2. Our commitment to respecting human rights and environmental concerns

Deloitte strongly condemns all forms of human-rights violations as well as harm to the environment. Long-term economic success can only be guaranteed if human rights are acknowledged and protected within Deloitte and in our supply and value chains. Therefore Deloitte is committed to respecting these and protecting potential victims of human rights violations through suitable measures as well as providing them access to a remedy.

Standards and guidelines

Our corporate activities are based on the internationally acknowledged United Nations Guiding Principles on business and human rights (UNGPs), and take into consideration the requirements of the Act on Corporate Due Diligence Obligations in Supply Chains [*Lieferkettensorgfaltspflichtengesetz*], hereinafter "LkSG." This

understanding and our due diligence relating to human rights and the environment are based on the following reference agreements, which Deloitte hereby acknowledges:

- United Nations Universal Declaration of Human Rights
- Principles of the United Nations Global Compact (UNGC)
- Principles of the Organization for Economic Cooperation and Development (OECD) for multinational companies
- United Nations International Covenant on Political and Civil Rights
- United Nations International Covenant on Economic, Social and Cultural Rights
- Core Labor Standards of the International Labor Organizations (ILO) on labor and social standards
- European Convention for the Protection of Human Rights and Fundamental Freedoms
- Minamata Convention on the manufacture, use and/or disposal of mercury
- Stockholm Convention on the production and/or use of Persistent Organic Pollutants as well as non-environmentally friendly handling of POP waste
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes

Our internally approved company policies are based on the global Deloitte guidelines and standards, and they form the basis for Deloitte's actions aiming to ensure successful, fair economic activity:

- Deloitte Ethics and Behavioral Principles
- Deloitte Ethics policy
- Deloitte General Works Agreement (GBV) Ethics²
- Deloitte Global Principles of Business Conduct
- Deloitte Commitment to Responsible Business Practices
- Deloitte Supplier Code of Conduct

² The scope of the General Works Agreements (GBV) also includes Deloitte Deutschland GmbH Wirtschaftsprüfungsgesellschaft and its subsidiaries.

- Deloitte Policy on Protection Against Discrimination and Harassment
- Deloitte Corporate Responsibility Policy

Scope

This Policy Statement must be acknowledged and adhered to by all Deloitte employees. We urge all employees to behave appropriately and lawfully toward their colleagues as well as toward our business partners. We also expect our business partners to commit to respecting human rights and the environment and to ensure that due diligence is performed according to the LkSG, as well as communicating this expectation to their own suppliers.

Potentially affected parties

Due to our diverse global business activities, international travel, and complex supply and value chains, Deloitte is subject to the risk of negative impacts on human rights and the environment. To minimize this risk wherever possible, we focus on the following potentially affected parties:

- Deloitte employees, including interns, working students, temporary workers, and trainees
- Employees of service providers and direct suppliers
- Residents and local communities in physical proximity to Deloitte locations, or to the locations of service providers and direct suppliers
- Legal entities (labor unions and their employees and/or members)

Within these groups of affected parties, sub-groups have been identified that are considered especially vulnerable and that have special (protection) needs. In particular, this includes people whose capacity is limited due to physical or other characteristics, who are marginalized by society, who are affected by a lack of protection from state institutions, or who have difficulty making their concerns heard:

- People in the LGBTIQ+ community (lesbian, gay, bisexual, transgender, intersex, queer and non-binary)
- Whistle-blowers
- People who hold functions in the works council
- People with disabilities
- Elderly people
- Women
- Children

- Sick people
- People in an unregulated environment
- People with limited access to education
- Members of national, ethnic, religious, or linguistic minorities

Relevant human-rights and environmental issues

In the course of our due diligence, Deloitte identifies and assesses relevant human-rights issues as they relate to our business activities. The results of the systematic risk analysis for all affiliated companies and direct suppliers are included in this Policy Statement. We particularly advocate for the following human and environmental rights:

Prohibition of discrimination

As an employer, Deloitte supports equal opportunity, individuality, and self-determination, and we value the diversity of people, perspectives, talents, and experience within our business activities and relationships with business partners. Therefore we do not accept any form of discrimination or unequal treatment in the workplace, in social media, or in other public platforms on the basis of national or ethnic origin, social background, health status, disability, sexual orientation, age, gender, political opinions, religion, or worldview.

Appropriate remuneration for work performance

Deloitte is committed to the principle of equal pay for equivalent work. We ensure appropriate, performance-based remuneration for our employees, regardless of gender or origin. In particular, that includes providing appropriate and timely pay that allows our employees to secure their livelihoods and/or maintain their existence, corresponding at least to the statutory minimum wage for the respective country.

Guaranteeing occupational safety

Protecting and supporting the health of our employees is the highest priority for Deloitte. We consistently follow applicable occupational safety laws and also establish our own further-reaching standards to improve occupational safety. Universally applicable safety standards ensure that occupational safety is observed uniformly with regard to location, workplace, and the available work equipment. In addition, our occupational safety officers ensure occupational safety at every office location in order to prevent work-related accidents, and they take measures to remedy them. Safety in the workplace also means preventing extreme physical and mental exhaustion. Consequently, our working-hours regulations fulfill all of the statutory requirements. The company also actively supports the physical and mental health of our employees with various health management initiatives.

Protecting the right to form an association, to organize, and to take collective action

Deloitte recognizes the right to freedom of association. Among other things, that also includes employees' right to establish employee representation (e.g. a labor union or works council), to join an employee representation organization, and to strike or take other collective bargaining measures. We guarantee that exercising these coalition rights will not have any negative impact on an employee's work environment,

professional career, or salary. Moreover, employees always have the option to contact the company management to discuss potential problems in an open dialogue. This is in line with Deloitte's corporate culture, which promotes trust-based, constructive collaboration with employee representatives and consistently pursues the goal of protecting the well-being of the company and the employees. The Deloitte workforce has elected corresponding employee representatives at nearly every location. At locations without employee representation, Deloitte encourages regular dialogue between employees and the company.

Lawful use of private and public security forces

Regardless of whether an in-house or external security service is utilized, we ensure that human rights are respected and that no unlawful activities take place. That includes a prohibition on torture and illegal degrading treatment, as well as the right to integrity of life and limb and protection of the right to organize and the freedom of association.

Prohibition of child labor

Deloitte condemns all forms of child labor in the sense of the applicable ILO core labor standards; we oppose any and all forms of child trafficking, child prostitution, and other practices that violate children's rights and that threaten their freedom and development through harmful working conditions. Children should be protected and supported in every phase of their development. Therefore, Deloitte's activities are based on the standards defined and established in the ILO core labor standards.

Prohibition of slavery and forced labor

In line with the ILO core labor standards, Deloitte opposes the use of forced labor, compulsory labor, and slavery in the sense of the LkSG. This also includes a prohibition on forced labor for the purpose of political re-education, bonded labor, servitude, and human trafficking as well as the sexual exploitation or degradation of any participant in the supply or value chain. Deloitte ensures this for internal working conditions, and we expect our external suppliers to ensure that working conditions are always entered into and maintained voluntarily; we do not permit any work-related oppression.

Safeguarding land rights

Deloitte objects to any deprivation of land in a manner that is illegal or that violates human rights. This includes, for example, forced eviction or the removal of land, forests, or bodies of water for one's own advantage, potentially causing people or communities to lose their livelihood. Deloitte believes that any permanent or temporary removal of individuals or communities from the land they inhabit and the resources they need for their livelihood must be prevented by all means possible.

Protecting environmental rights

Deloitte believes that human rights and environmental rights are closely intertwined. Therefore we consider environmental protection to be particularly relevant. We strongly condemn any and all negative impacts on or destruction of the environment by individuals or companies. Deloitte thus acknowledges various international environmental standards and complies with the prohibitions of the Minamata Convention on Mercury, the Stockholm Convention on Persistent Organic Pollutants, and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal.



3. Our approach to due diligence for human rights and environmental concerns

Respecting human and environmental rights is a continuous process. In exercising our due diligence, Deloitte follows the requirements established in the LkSG along with the United Nations Guiding Principles on Business and Human Rights. Implementation of specific prevention measures and remedies depends on the systematically determined risks, and is subject to a constant review as well as further development of the due diligence processes. We have agreed to implement the following measures in order to comply with the requirements of the LkSG:

Structures and responsibilities within the due diligence process

In order to ensure unrestricted respect for human rights and the environment, Deloitte has established corresponding due diligence processes as an integral part of our organization and our relationships with business partners. Overall responsibility lies with the respective Deloitte management boards.

To ensure due diligence in the areas of human rights and the environment, Deloitte has defined a series of responsibilities in this context. The Deloitte Executive Committee has appointed Dr. Christian Faust as the Human Rights Officer. He monitors and reviews the entire risk management system and reports regularly to the Executive Committee on the status of due diligence implementation. In addition, we created the role of “Program Lead LkSG,” which is responsible for the process-related and organizational operationalization of due diligence. Internal stakeholders and experts have also been identified to act as “Topic Leads,” handling the operational implementation of individual human-rights and environmental due diligence, including Procurement, Ethics, People, and Sustainability. These functions work together as part of an LkSG committee and report on their results regularly and on an ad hoc basis.

Risk analysis

Established processes are used to identify relevant human-rights and environmental issues as well as potentially affected parties in our own business area and our direct business relationships. That includes analyzing human-rights and environmental risks and impacts caused by all products and services that we buy and sell. The results of the risk analysis flow into our entrepreneurial decision-making in terms of choosing suppliers, third-party risk management (TPRM), mergers and acquisitions. Deloitte also uses the results as a basis for creating and if necessary adapting our prevention measures, such as internal policies, work instructions, processes, and trainings. The analysis of human-rights and environmental risks and impacts is updated annually and also on an ad hoc basis, if there are any significant changes in the company profile or our business activities.

Prevention measures

In order to take responsibility for the respect for human rights and the environment, we have established a wide range of prevention measures in many different areas. Our priority is protecting the legal position of potentially affected people and groups. All affected groups have the option of submitting an anonymous complaint through the [Deloitte Speak Up - Helpline](#) whistleblower system.

In addition, Deloitte regularly uses external auditors to check the compliance of our internal processes. That includes, for example, certifications according to ISO 9001 (Quality Management), ISO 14001 (Environmental Management), and ISO 45001 (Occupational Health and Safety Management).

We communicate regularly with external associations and working groups about various relevant human-rights and environmental issues. Deloitte is a member of various industry initiatives (e.g. econsense, UN Global Compact); we lead partnerships (e.g. the Laureus Sport for Good foundation) and create our own initiatives (e.g. “Diversity & Inclusion,” “GLOBE Pride Initiative”).

Deloitte employees are given corresponding training to raise their awareness about respecting human rights and the environment, in line with this Policy Statement and the underlying human-rights strategy. Deloitte integrates the necessary technical skills for effectively implementing human-rights and environmental due diligence into the training concepts, and communicates them appropriately for each target

group. In addition, Deloitte offers specific training sessions in the relevant business areas for priority human-rights and environmental risks.

Outside the company, all direct business partners are obligated by the Supplier Code of Conduct to comply with the applicable laws in countries where they carry out business activities, as well as with the ILO core labor standards; they must respect human rights and the environment, and they must require their own business partners to follow the same rules. When choosing suppliers, we also consider human-rights and environmental expectations in the sense of this Policy Statement. Deloitte will establish these as an integral part of a supplier assessment in order to evaluate the establishment of a contractual relationship in advance.

In addition, the core activities of Deloitte, which include auditing and consulting services, also help other companies enforce human and environmental rights in the sense of the LkSG. That allows us to actively contribute to the economy and to society even beyond our own business area.

Complaint mechanism

An appropriate, effective complaint management system is an integral part of our due diligence processes, giving every stakeholder—both in our own business area and throughout the supply and value chain—the opportunity to submit an (anonymous) complaint. This enables us to efficiently uncover, prevent, or remedy violations within the company or in the supply or value chain, in keeping with the third pillar, “Access to Remedy,” in the UN Guiding Principles on Business and Human Rights.

With our complaint mechanism, Deloitte takes violations of human and environmental rights very seriously and provides a publicly accessible, confidential way to submit reports. Through the [Deloitte Speak Up - Helpline](#), anyone can report and track known or suspected violations by Deloitte employees, business partners, or suppliers at any time, even anonymously, in various languages, either by phone or using an online web form. International whistleblowers can also access the portal via the web form and/or a hotline. Reports and/or complaints are processed by independent parties (impartial, independent, and obligated to maintain secrecy). We guarantee, wherever possible and where this is within our control, that whistleblowers will be protected from disadvantages of all kinds in conjunction with the complaints they submit.

The effectiveness of the complaint process is reviewed regularly, at least once a year and on an ad hoc basis. Moreover, the knowledge we gain from processing complaints allows Deloitte to continuously improve our due diligence processes in the areas of human rights and the environment.

Remedy

Preventing human-rights violations and environmental harm are the top priority for Deloitte. In the event of any kind of risk, our focus is on prevention. However, if a violation is discovered only after it has occurred, our efforts are concentrated on minimizing its impact and stopping the violation as quickly as possible. The business activities in question are then halted in the respective business area, and reorganized in compliance with human and environmental rights.

In the event that, despite all our efforts, Deloitte contributes to potential or actual human-rights or environmental violations in our supply and value chains or is indirectly connected with these, appropriate remedies will be taken by the responsible offices. Any legitimate suspicion or concrete evidence of potential

human or environmental rights violations in our business area, or within the upstream or downstream supply or value chain, is investigated carefully and thoroughly. Deloitte requires all business partners to provide support to resolve such circumstances and to cooperate fully within an appropriate period of time. Depending on the severity of the violation, Deloitte reserves the right to respond appropriately, i.e. by requesting an immediate stop of the violation; legal action; withdrawal from, suspension of or termination of the business relationship; or damage compensation claims against the supplier. The goal of these remedies is to prevent, end, or limit the extent of the violation.

Effectiveness check

At least once a year and on an ad hoc basis, the effectiveness of all LkSG-relevant measures is reviewed to ensure that any detrimental human-rights or environmental impacts are identified, prevented, eliminated, or minimized. Within Deloitte, the effectiveness of the various measures is checked using defined parameters (e.g. training results, ratio of accessible work spaces, number of compliance violations found in an audit). In addition, supplier profiles are evaluated regularly and checked using risk-based audits.

Reporting

In the annual report published as per § 10 [2] LkSG, Deloitte informs the responsible authorities and the public about the progress of our implemented due diligence processes and their effectiveness. These include human-rights and environmental risks identified during the reporting period, the impacts of our business activities throughout the global supply and value chains, and the prevention measures and remedies implemented within our own business area and with our direct suppliers. The report is also published on our [website](#).

4. Contact for questions and further information

If you have any questions about this Policy Statement or about any other human-rights or environmental issues, please contact us by email at business_ethics@deloitte.de. You can use the same address to report any questionable conduct or a potential violation of this Policy Statement. Alternatively, you can also submit a report at any time via our confidential [whistleblower system](#).

5. Final provisions

This Policy Statement on Respecting Human Rights and the Environment takes effect as of the day it is signed, and supplements the existing abovementioned standards and guidelines in this subject area. The Policy Statement cannot be used as a basis for any third-party claims. It was approved by the Deloitte Executive Committee on December 19, 2022.

Düsseldorf, December 19, 2022



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