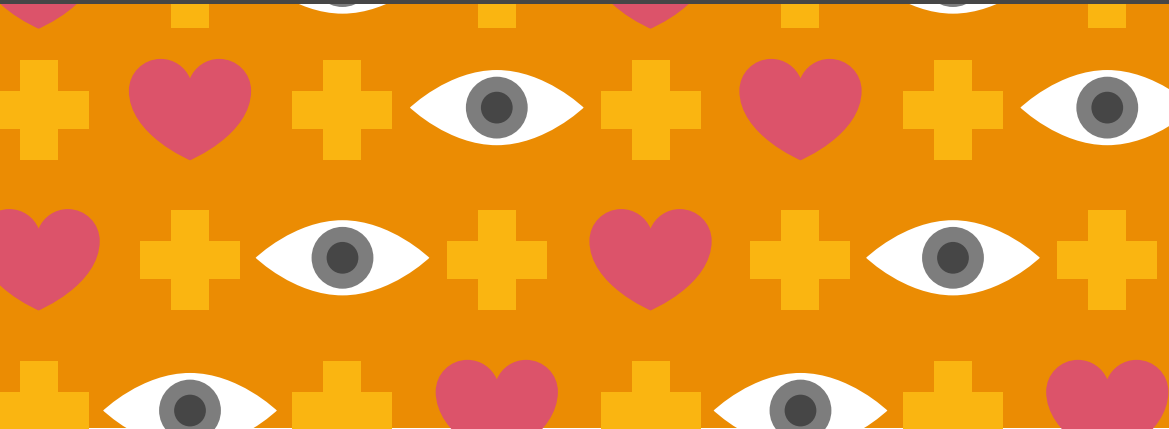


Policy statement on human rights



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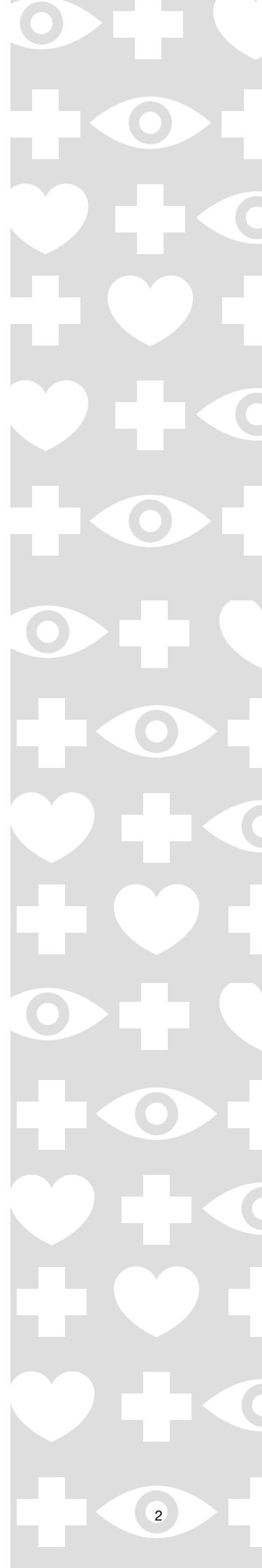
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Our commitment to upholding human rights

We are acutely aware of our corporate responsibility to uphold human rights. As a result, we are committed to upholding human rights, both in our own business activities and throughout our global supply chain and value chain. We are also committed to ensuring that victims of human rights violations are able to have their situation remedied.

To do this, we have placed the internationally recognised UN Guiding Principles on Business and Human Rights (UNGP)¹ at the centre of our corporate activities. This enables us to implement and comply with the requirements of the German National action Plan on Business and Human Rights² and the German Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains³.

Our commitment to human rights and our human rights due diligence processes are also based on the following international declarations:

- The UN Universal Declaration of Human Rights (A/RES/217, UN document 217/A-(III))
- The principles of the UN Global Compact
- The OECD Guidelines for Multinational Enterprises
- The International Labour Organization's (ILO) five Fundamental Principles and Rights at Work: freedom of association and the right to collective bargaining, the elimination of forced labour, the elimination of child labour, the elimination of discrimination in respect of employment and occupation, and a safe and healthy working environment
- The European Convention on Human Rights and Fundamental Freedoms

The PwC network has also implemented the following human rights-related standards, which similarly serve to guide our business activities. These standards apply to all member firms in the PwC network:

- PwC's Human Rights Statement
- PwC's Code of Conduct
- PwC's Third Party Code of Conduct

PwC Germany is also committed to the UN's Sustainable Development Goals (SDGs) and has identified five SDGs as deserving special attention. All five of these goals are related to human rights:

- SDG 4: quality education
- SDG 5: gender equality
- SDG 8: decent work and economic growth
- SDG 12: responsible consumption and production
- SDG 13: climate action

We expect our business partners to make similar commitments to uphold human rights and implement appropriate due diligence. We also expect our partners to impose these expectations on their suppliers.

¹ UN document A/HRC/17/31.

² Nationaler Aktionsplan für Wirtschaft und Menschenrechte.

³ Gesetz über die unternehmerischen Sorgfaltspflichten in Lieferketten, also known as the Lieferkettensorgfaltspflichtengesetz.

Relevant human rights issues and potential victims of abuses

We recognise that our business activities and our global supply chain and value chain may have negative impacts on human rights.

We are committed to upholding all internationally recognised human rights. Our human rights due diligence processes are particularly focussed on the following human rights issues which risk analyses have identified as being critical for our firm. Listed below are the areas which we believe pose the greatest threats to human rights that are directly or indirectly connected to our business activities, both at our offices and in our global supply chain and value chain:

- Forced labour and child labour
- Restrictions on freedom of assembly and association
- All forms of discrimination (e.g. due to gender, age, ethnic or social origin, nationality, religion or belief, physical or mental disability, sexual orientation)
- Threats to privacy
- Threats to health and safety in the workplace
- Insecure employment
- Corruption and bribery
- Restrictions on access to education

Our efforts to uphold human rights focus on the following groups of people, as business activities within our global supply chain and value chain may endanger the human rights of these groups:

- Our own employees at home and abroad, including trainees, temporary employees, interns and students
- Employees of business partners and joint venture partners
- Groups of people in our immediate supply chain: employees of contractors and direct suppliers
- Groups of people in our downstream value chain: employees of clients, people connected with our products and services (e.g. in sponsorships)
- Groups of people regardless of their location in the value chain: employees with contracts to produce work (as under Section 631 ff. of the German Civil Code⁴), employees in joint ventures, and trade unionists employed by suppliers, service providers or business partners
- Groups of people who are indirectly linked to our value chain: local community members and residents of neighbourhoods near our offices, family members, employees in public authorities

Within these groups, we have identified people who are at an increased risk of human rights abuses. These people have therefore been accorded special status in our due diligence processes. People at increased risk include those with particular needs, those who are excluded by society or those who struggle to raise concerns. We consider the following people to be at increased risk:

- Women
- Senior citizens
- Sick and disabled people
- Groups of people in environments which are poorly regulated or not regulated at all
- Ethnic/religious minorities
- Lesbian, gay, bisexual, transgender, intersexual, queer and non-binary people
- People in insecure or informal employment
- People who are poorly educated or have limited access to education





Human rights due diligence: our approach and measures

For us, upholding human rights is a continuous process. Our human rights due diligence is subject to continuous review and ongoing development as conditions and our business activities change:

- To ensure that human rights are upheld, we have made human rights due diligence processes a key element of our own organisation and of our dealings with direct suppliers.
- We use an established process to identify and evaluate relevant human rights issues and people put at risk by our business activities and direct commercial relationships. This process includes analysing human rights risks and impacts created by our products and services. In order to do this, our firmwide risk and supplier management systems now include human rights issues.
- Fresh analysis of human rights risks and impacts is carried out on a regular annual basis. Analysis is also performed whenever we make major changes to the firm or our business activities.
- Our corporate responsibility (CR) board supports our executive board on all sustainability issues, serving as a source of innovation and ideas for products, services and PwC Germany's corporate responsibility strategy. The CR board regularly discusses conflicts around human rights goals and relevant due diligence findings, and reports to the executives so that they can take appropriate action if necessary.
- We also use these results to develop and (where necessary) adjust internal rules, processes and training courses in order to stay abreast of changing expectations placed on our due diligence.

To honour our responsibility to uphold human rights, we employ a combination of different measures to improve situations for victims or people at risk. This includes active employee involvement through our Global People Survey. We will also include other affected people in this process – for example, employees of our suppliers. We also regularly exchange views with other companies – for example, through the Econsense “economy and human rights” and “sustainable value chains” project groups.

Outside the boundaries of our firm, all of our contracts with suppliers require these companies to follow national and international human rights law and the ILO's Fundamental Principles and Rights at Work. We also require our suppliers to uphold human rights and to appropriately address human rights risks among their own business partners.

In addition to the measures stated above, PwC Germany also provides auditing and consulting services on human rights due diligence and reporting, allowing us to make a contribution towards upholding human rights in the economy and society at large.

PwC Germany also helps to promote acceptance, inclusion and diversity by supporting various initiatives related to human rights, such as the UN's “HeForShe” movement or “#positivarbeiten” by the German AIDS Federation.

Reviewing our measures:

We will review the effectiveness of our measures for preventing human rights abuses. Regular reviews will be carried out at least once a year, and further reviews will be undertaken if necessary. Employee surveys will be used for reviews within PwC. In our broader value chain, we will conduct supplier evaluations and (if necessary) supplier audits.

Complaints procedure:

We consider all forms of human rights violations to be unacceptable. An appropriate and effective complaints handling process is therefore a fundamental part of our processes for upholding human rights. As a result, we have established a complaints handling system that is accessible both to PwC employees and external parties.

As a leading auditing and consulting firm, quality and integrity are very important to PwC Germany. Compliance with legal and professional regulations and with internal rules and standards is vital to meet these aims. The PwC Code of Conduct is our commitment to ethical behaviour when dealing with current or potential business partners and employees. Our internal rules and standards summarise our values and serve as the foundation of the work we do every day. We have appointed an Ethics and Compliance Officer at the highest level of our corporate hierarchy in every country where we work. These officers are responsible for implementing our Code of Conduct, which involves following up on potential violations of the Code of Conduct and our compliance rules whenever these cannot be resolved at lower levels of the organisation. The Ethics Office thus acts as an independent, neutral body for handling conflict and complaints.

Cases are dealt with immediately and neutrally, and without first checking who is involved and what their position is in the firm. The individuals involved are interviewed, and a solution is devised.

Remedial actions:

We urge all stakeholders to speak up about any concerns that they may have in relation to our activities and about any suspected breaches of our policies, including this one. If there is reason to suspect that our business activities may be causing or contributing to human rights abuses, we will investigate, respond and implement appropriate corrective measures.

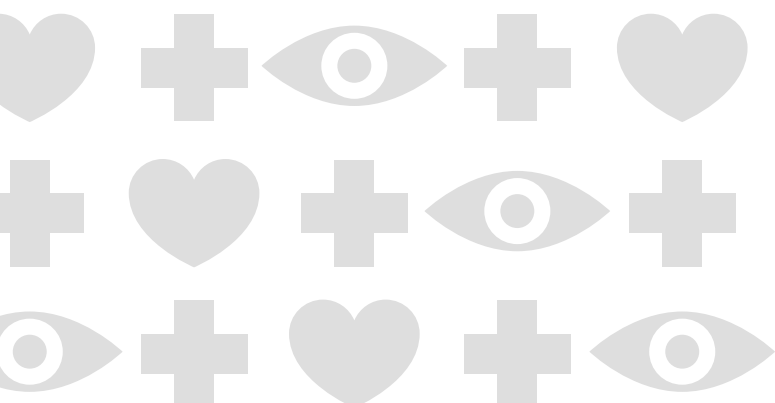
If we have concerns that there is a direct relationship between our work and human rights violations committed by a client, we will raise our concerns with the relevant parties and work to reduce the impacts.

If we have good reason to suspect human rights abuses in our firm or our upstream value chain, or we have concrete evidence of such abuses, we will carry out a thorough investigation. Our suppliers are required to assist us in such investigations and to fully cooperate within a reasonable time frame. Depending on the severity of any abuses, we reserve the right to take appropriate action against our suppliers – this may range from demanding immediate improvements right up to legal action or termination of business relations with the affected supplier.

Reporting:

PwC's reporting on human rights-related issues comprises the following:

- An annual transparency report as required under Article 13 of Regulation (EU) No. 537/2014
- A voluntary annual sustainability report, including reporting on PwC Germany's contribution towards SDGs 4 and 5 (quality education and gender equality)
- Communications on Progress as required under the UN Global Compact
- Intranet pages
- Webpages



Responsibility for human rights due diligence in our firm

We have assigned clear responsibilities for human rights due diligence.

A Human Rights Officer (HRO) is appointed by the CR board and their appointment is confirmed by the territory leadership team. The HRO's powers, responsibilities and duties are outlined in the job description.

The CR board serves as an advisory committee to the HRO.

Alongside preventing child labour and forced labour, the German Supply Chain Act addresses issues such as workplace health and safety, freedom of assembly and association, human rights in supply chains and discrimination at work. This requires the involvement of relevant corporate functions – such as HR, data protection, procurement and the works council – to implement the necessary measures.

The executive board will review the HRO's work on a regular basis, at least once a year.

Training

We consider raising awareness of human rights issues among our employees and training them in effective human rights due diligence to be fundamental in upholding human rights. We therefore conduct regular training on these topics.

Our commitment to continuous development of our human rights due diligence

Upholding human rights and implementing human rights due diligence in our business is an important contribution to improving the global human rights situation. We hereby accept this challenge and commit to continuous development of our human rights due diligence processes.

01.07.2022



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