

# Sustainability Report 2023



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**Dear Readers,  
Dear Customers and Business Partners,**

In 2023 the Conrad Group celebrated its 100th birthday as a successful family owned business. We met this landmark in our corporate history with joyful festivities for our employees and customers. At the same time, we used it as an opportunity to reflect on how we can use our strengths and values to shape the future of our organisation and positively impact the world around us.

As a European sourcing platform, our business success is inextricably linked to the health of the planet and the well-being of our communities. That's why we're committed to integrating sustainability into every aspect of our operations – from our procurement practices to the treatment of our employees as well as the responsible usage of natural resources.

In this spirit, we continued our journey to decarbonizing our operations, by commissioning a wood chip power plant in our logistics centre in Wernberg Köblitz – leading to a local CO<sub>2</sub> emissions reduction from heating by 58%. For the first time, we also managed to account for our corporate Scope 3 emissions. Thus creating the transparency required for designing effective reduction measures in the future.

I am also happy to announce that for the first time Conrad won the renowned certification “Great Place to Work” in 2023. To us, the certification is proof of a positive workplace culture and trust of our own employees into our corporate governance.

To spread these positive achievements beyond our own workforce, the Conrad group also worked hard on increasing transparency on human rights and environmental issues in our supply chains. We are now fully compliant with the requirements of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG) and looking forward to continuously improving our processes in close cooperation with our long term supplier base.

Similarly to last year, we have once again extended the scope of our sustainability report relative to previous years. For the first time, this report now includes our group members SoS Electronic, based in Slovakia, and Rapid Electronics, based in the UK. With this step, we have successfully consolidated the entire Conrad Group into a singular sustainability report. This not only underlines our common goal, as an

international Group, of becoming Europe's leading sourcing platform for technical supplies, but also our recognition of sustainability as a top priority at all of our locations.

We are proud of the progress we made in 2023, but we know that there is still more we can do. We are committed to continuous improvement, and strive to constantly enhance our sustainability efforts.

It goes without saying that we would not be able to achieve our sustainable growth goals without the committed support of our people. I would like to take this opportunity to thank all Conrad employees – who deliver on and advance our sustainability agenda every day – for their dedication and perseverance.

I hope that you will find this report an informative read.



Ralf Bühler  
CEO Conrad Electronic SE



Founded in 1923, Conrad Electronic is well-known as a reliable partner for sourcing electronics and technology. We are currently present in 17 European countries and provide customers that source technical supplies with all parts of success – regardless of their size and sector.

The Conrad Sourcing Platform offers customers what they need to power the success of their projects or businesses: a wide and varied range of millions of products, customer-centric solutions and services, and qualified advice – from expert to expert.

Our tailored e-procurement solutions reduce the complexity in procurement processes to save both time and money for our customers. As sellers on the Conrad marketplace, manufacturers and distributors can reach new target groups and markets quickly and easily. Private customers also benefit from our professional product offers and services.

### 100 years as a business pioneer

In 2023, Conrad Electronic celebrated 100 years as a successful family-run business. We are proud of our long history and our deep roots in northern Bavaria, where our Hirschau headquarter is located. What really makes us stand out, however, is our pioneering spirit.

From a specialist dealer in radio kits to today's Sourcing Platform – the last hundred years have shown that we have the confidence to continuously transform and adjust to our customers' needs. For us, the strongest validation of our success is the feedback we receive from our satisfied customers. Therefore, we were delighted to win a number of independent awards and prizes in 2023. These included the German Brand Award 2023 and the Distributor of the Year 2023 Award (category: Online Distributors) presented in the specialist publication *Elektronik*.

### Business development

The Conrad Electronic Group achieved total revenue of EUR 1.1 billion in the 2023 reporting year, a figure roughly on a par with the 2022 numbers. Detailed information on the business development of the Conrad Group can be found in the annual financial statements of the individual companies following their publication. Consolidated financial statements are currently not being published.



The German Supply Chain Due Diligence Act, i.e. Lieferkettensorgfaltspflichten-gesetz (LkSG) requires companies headquartered or registered in Germany to closely monitor and minimise risks to human rights, environmental impacts and good corporate governance in their international activities. The commitment must be implemented by companies in their own business area and their supplier base. The law applied to companies with more than 3.000 employees from January 1st 2023 and to companies with more than 1.000 employees from January 1st 2024. Thus, Conrad is affected by the law from 2024 onwards.

## Risk management along the supply chain:

### How we keep an eye on our due diligence obligations

The Conrad brand has been standing for corporate responsibility for 100 years. As a family business, we are committed to fair working conditions and environmental protection. That is why, when it comes to our supply chain, we act not only out of legal obligation, but also out of conviction.

We set out early on to implement the requirements of the German Supply Chain Due Diligence Act (LkSG) into our processes – even before we were legally obliged to do so. After all, one of the success factors in our 100-year history has always been that we do not close our eyes to changing conditions, but rather see them as an opportunity.

After taking a holistic view of supply chain risk management for the Conrad Group, we started where we identified the greatest risks – our Hong Kong-based subsidiary Conrad Electronic International (CEI). We successfully piloted a comprehensive risk management system there in 2023, which we are currently rolling out to all other companies in the Conrad Group. As a reliable partner, we want to offer our customers not only transparency along the supply chain, but also legal certainty. Because we know that: Success begins with smooth procurement processes.

### Strong partners: Our suppliers

As an experienced distributor, we have access to a reliable supplier network and long-term partnerships. We select our suppliers carefully and only work with renowned players with high quality standards. By focussing on quality and integrity from the outset, we lay the foundations for dependable supply chains and procurement security for our customers.

We have always maintained a close dialogue with our suppliers – regardless of where they are in the world. We actively seek personal dialogue with our partners in order to find solutions together.



Recently, our Sourcing Governance team visited a Chinese manufacturer with whom we have been working for decades to discuss supply chains.



## Our compass:

### Declaration on Human Rights & Code of Conduct

Our Declaration on Human Rights and our Environmental Policy Statement provide a clear framework for all our business activities along the supply chain and emphasise our commitment to human rights, labour rights and environmental protection.

The Declaration on Human Rights and our Environmental Policy Statement are further specified by our Code of Conduct documents. Together, these form an integral part of all labour and supplier contracts throughout the Group and its acceptance is a prerequisite for working with Conrad. We expect our suppliers to fully respect human rights and to consistently enforce labour rights within their own company as well as at affiliated subcontractors and their suppliers. Human rights, labour rights and environmental protection are non-negotiable for us.

## Our blueprint:

### Risk analysis for CEI as a case study

A systematic risk analysis forms the basis of risk management at CEI: based on a comprehensive country report for China, an analysis of the electronics industry in China and available amfori Business Social Compliance Initiatives (BSCI) reports, we can clearly identify the biggest risk factors: Above all, the social management system and overtime management harbour risks for Chinese suppliers and production facilities.

In addition to hotspot-specific analyses, we rely on AI-supported 24/7 risk monitoring across the Group to keep an eye on our suppliers. We screen global reports on defined risk topics in order to identify human rights or labour law violations at an early stage. With alerts, we are informed in real time about impending risks and can take appropriate investigative measures, such as supplier surveys or audits.



## Minimise risks: Further measures

We have taken a number of preventive measures to avoid potential violations of human rights and environmental regulations in the supply chain. For example:

- We aim to raise awareness within our supply chain with regular workshops. In the 2023 reporting year, we trained 400 Asian suppliers on the LkSG and held further workshops on the risk topics of "social management system" and "overtime". For 2024, the workshops will focus on the topic of "fair remuneration".
- Potential violations can be reported anonymously from anywhere in the world via our whistleblower system. This ensures that we are informed about potential problems at all times and can respond appropriately.
- By setting up an Integrity Committee, we are anchoring risk management in our organisation. This is intended to ensure that process chains are adhered to internally at Conrad and strengthen Group-wide dialogue on supply chain topics with the involvement of the relevant internal stakeholders.

## Creating standards together

We do not view compliance with our due diligence obligations along the supply chain as a one-off project, but as a process that will continue to be a core element of our business processes and the selection and monitoring of our suppliers in the future.

Risk management along the supply chain is a task that we can only solve together with our suppliers and customers. Only by working together can we respond effectively to potential risks, set common standards and ensure the integrity of our supply chains. So let's go down this path together!



# 01

# Approach to Sustainability

## Highlights

- Bronze Medal Rating by EcoVadis
- Nomination for the German Sustainability Award 2023





## Company values

The Conrad Group is a member of the UN Global Compact network and firmly committed to its ten principles in the areas of human rights, labour, environment and anti-corruption. We are continuing our efforts to implement the UN Sustainable Development Goals (SDGs) and will outline our progress in this report.

As a family-run business spanning generations, we are committed to quality, long-term partnerships with customers, suppliers and employees, and the responsible management of natural resources. We have enshrined these principles in both our Code of Conduct and our Environmental Policy. One of Conrad's four brand values: Mindfulness, also reflects this.

## Our strategic fields of activity

Our goal of sustainable growth is derived from the Conrad Group's company values. This means that we are fundamentally committed to minimising any negative impacts from our business operations through holistic management approaches and to selectively strengthening the positive impacts of our activities.

Beginning in 2021, the Conrad Group has continuously been putting a lot of effort into developing a comprehensive corporate social responsibility strategy. This strategy is based on an extensive analysis of the Conrad business model, our value chain from raw materials and suppliers of primary products through manufacturing and distribution to the disposal of end-of-life products, as well as the subsequent identification of our material topics. In addition, we actively consider the interests of both internal and external stakeholders. As a result, we focus on the following strategic priorities: Environmental & Climate Protection, Circular Economy, Employees, and Contribution to Society. Regarding all four topics we strive to continuously improve our performance and develop new approaches.

In upcoming reporting periods, Conrad will define measurable qualitative and quantitative targets for all four priorities and report

on the status of their achievement. In this report, you will find detailed descriptions of the status quo in each section.



## Material topics

In this report, the methodology behind our materiality assessment has been significantly enhanced compared to previous years. Starting with an impact assessment based on GRI 3, we expanded the analysis to a full double materiality assessment according to the European Sustainability Reporting Standards (ESRS).

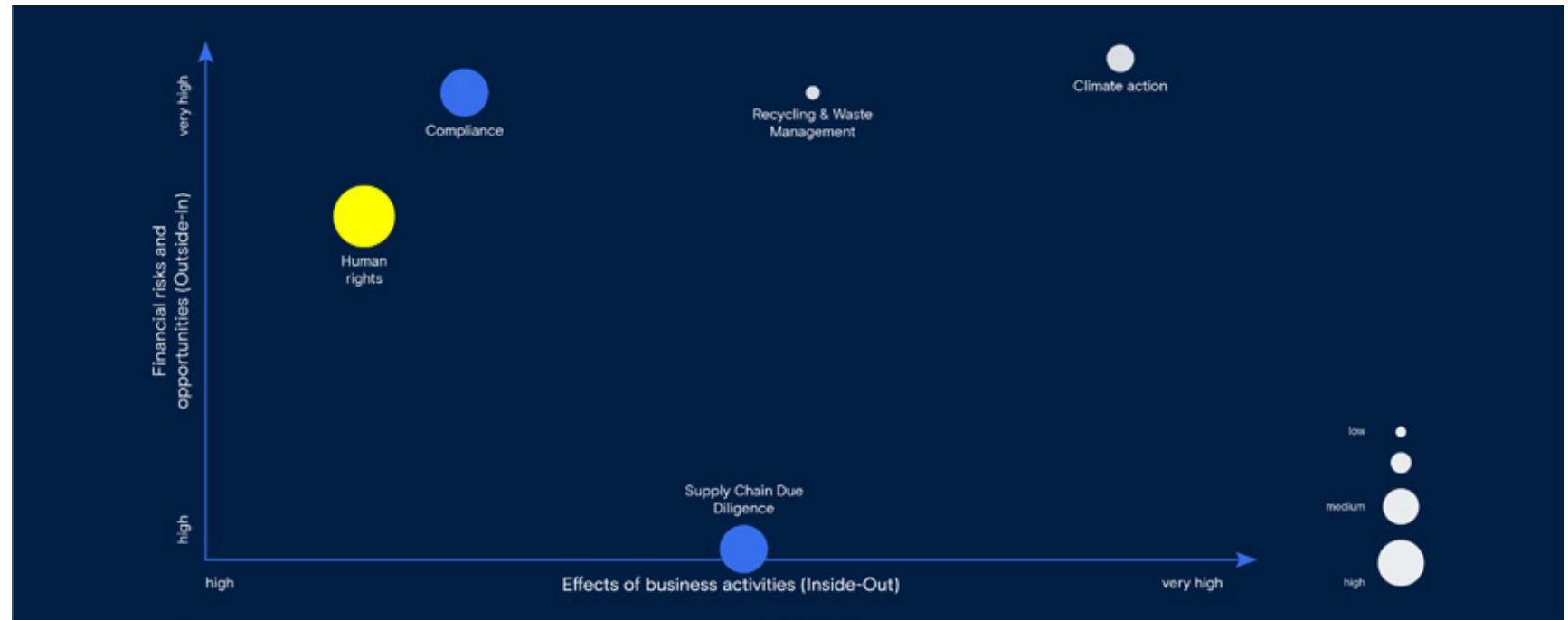
Our impact evaluation was carried out for all potential and actual impacts by scoring them on a scale from 0 to 25 points in the categories: timeframe, probability and impact scope. Our risk screening is based on our corporate risk analysis process and scores all risks and opportunities on a scale from 0 to 25 points in the categories probability and expected damage. The combined scores

per topic were subsequently multiplied by a factor signifying the topic's importance to our main stakeholder groups, i.e. our B2B customers, regulators, our own employees, and our own management bodies.

For ease of understanding, we have clustered individual impacts & risks into larger topic areas as described by the ESRS. A topic area is considered material if the scores of either impact or risk assessments exceed 8 out of 25 points.

The analysis resulted in the following assessment of the material topics for the Conrad Group:

### Material topics based on the 2023 double-materiality assessment



## Our priorities through 2025

In our four strategic priorities, we have set the goal to achieve significant improvements. In 2025, we will review target achievement and set new quantifiable targets at Group level for 2030.

Field of activity	Priorities through 2025
1. Environmental & climate protection (material topics: climate action)	<ul style="list-style-type: none"> <li>• Continuation of our systematic environmental management approach</li> <li>• Development of targeted strategies to reduce the consumption of resources at our own facilities</li> <li>• Creation of Group-wide transparency in relation to greenhouse gas emissions (scopes 1-3)</li> <li>• Setting of ambitious reduction and net-zero targets and implementation of measures to reduce greenhouse gas emissions</li> <li>• Support for environmental and climate protection by expanding range of related products</li> </ul>
2. Circular economy (material topics: circular economy and waste management)	<ul style="list-style-type: none"> <li>• Development of circular economy business models</li> <li>• Expansion of product range to include products that have verifiable benefits for the environment</li> <li>• Reduction of primary material use at our own facilities and optimisation of resource-intensive processes</li> <li>• Enhanced customer information campaigns</li> </ul>
3. Employees (material topics: working conditions and human rights at Conrad and its suppliers)	<ul style="list-style-type: none"> <li>• Increase in the satisfaction levels of our employees and our attractiveness as an employer</li> <li>• Fulfilment of our due diligence commitments in global supply chains</li> </ul>
4. Contribution to society (material topics: compliance, corporate citizenship)	<ul style="list-style-type: none"> <li>• Establishment of an even broader risk and compliance management system</li> <li>• Roll-out of additional information on sustainability to our customers</li> <li>• Continuation of existing commitments to charitable causes</li> <li>• Further development of existing charity guidelines and processes</li> </ul>

## Embedding of sustainability topics within the organisation

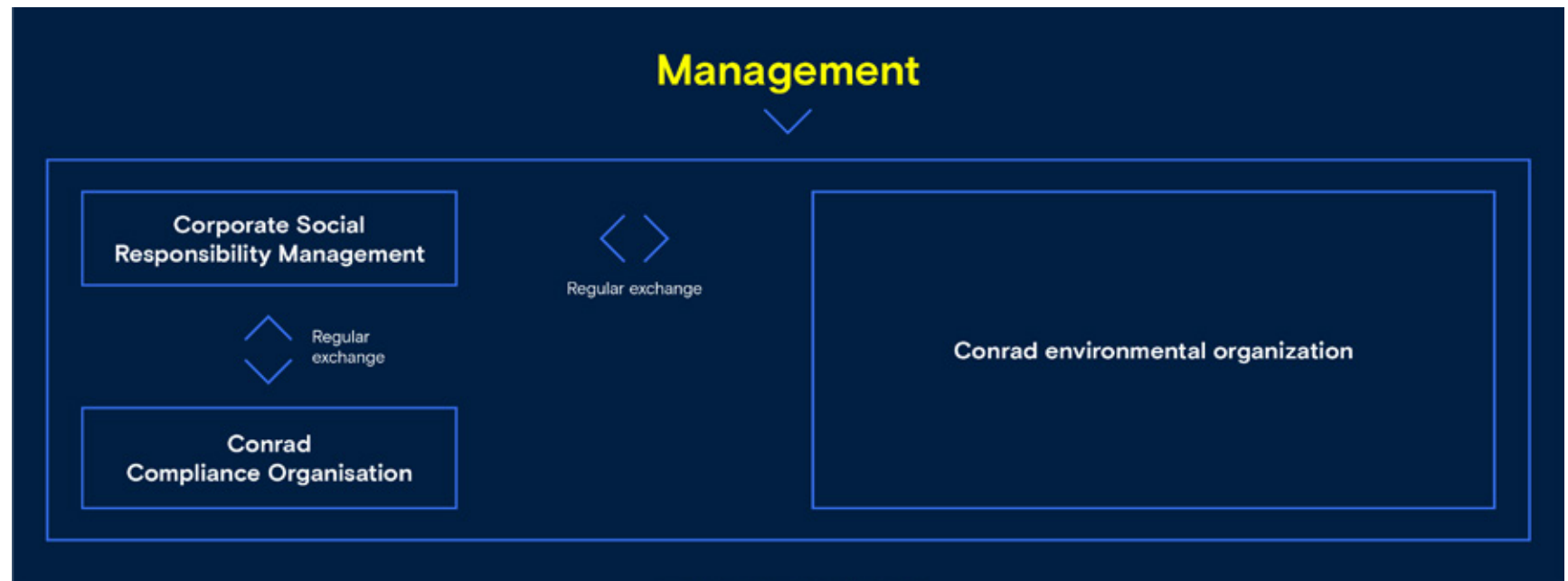
The managing directors of Conrad Electronic SE hold overall responsibility for the development and implementation of the Conrad sustainability strategy. As the supreme supervisory body, the advisory board receives a briefing on sustainability topics from the managing directors at least once a year.

The Corporate Social Responsibility department reports directly to the CEO and is responsible for strategy development, group-wide sustainability reporting and project management related to the implementation of adopted initiatives.

A cross-departmental compliance organisation headed by the Conrad Group's General Counsel with support from independent Compliance Consultants is tasked to oversee compliance with all relevant laws and regulations. The team follows a risk-based approach and is continuously developing a comprehensive compliance program aimed

at preventing, detecting and responding to compliance-related violations so as to promote ethical conduct and good corporate governance.

Lastly, the task of hands-on environmental management is taken over by the Conrad environmental organisation. This organisation is under the control of the COO and has been responsible for the Conrad Environmental Management System and the annual EMAS certification since 2006.



# 02

## Ethics and governance

### Highlights

- Updated version of group-wide Code of Conduct
- Improved structure to group-wide compliance organisation



## Ethics and governance



## Code of Conduct

The Conrad Group regards ethical and legally compliant behaviour as the bedrock of its long-term economic success. That is why we are committed to upholding a Group-wide Code of Conduct setting out strict standards of behaviour. This code is based on sources including the Universal Declaration of Human Rights of the United Nations, the conventions of the International Labour Organization (ILO) and the ten principles of the UN Global Compact.

In 2023, our Code of Conduct was once again revised and updated to represent the strict expectations Conrad places on its employees and business partners. In this process, we transformed the single document into a family of four complimentary documents – our Policy On Human Rights, our Environmental Policy, a Code of Conduct specifically designed for our employees, and lastly a Code of Conduct specifically designed for our suppliers and business partners. All four documents can be downloaded on our [website](#) and have been shared transparently with their respective target audiences. Conrad expects all employees, suppliers and business partners to comply with the Code of Conduct and the due diligence requirements contained therein. A strict zero-tolerance policy applies for any violations.

In order to ensure compliance with the Code of Conduct, the standards of behaviour expected, the processes for the avoidance of risks, and the potential consequences in the event of violations are clearly set out in the texts. All employees are obliged to accept the Code of Conduct's provisions in written form and trained on a regular basis. Likewise, all supplier relationships are covered by our Code of Conduct for suppliers, or an equivalent document.

A [whistleblower system](#) for both internal and external users ensures that violations of the Code of Conduct can be quickly identified and resolved without delay. If Conrad becomes aware of any violations, it responds to them in a measured, predictable and transparent manner. Breaches of our Code of Conduct may lead to disciplinary action, termination of the business relationship or other consequences under civil or criminal law.

## Governance

### The Conrad Group

In 2023, the Conrad Electronic Group had subsidiaries in seventeen countries and there were two strands to its organisational structure. The first strand is headed by Conrad Electronic SE, which has its headquarters in Hirschau, Germany. It oversees trading in Germany by itself or via wholly owned subsidiaries as well as the largely centralised purchasing organisation, group logistics, and management of the European market-place business. The second strand comprises all trading companies operating outside of Germany as well as a purchasing company in Hong Kong. The companies function as wholly owned subsidiaries of an international holding company which is also headquartered in Hirschau, Germany.

Regardless of the organisational structure, the Conrad family as owners stand behind all companies one hundred percent. A fact which is underlined by the Group's plan to restructure all international subsidiaries under the roof of the Conrad Electronic SE to simplify future reporting. The process of restructuring was begun in 2023 and is expected to be completed within the reporting year 2024.

### Reporting entity for the sustainability report

This sustainability report of the Conrad Group covers the period from January to December 2023. This period corresponds to the financial reporting year of the Conrad Group. Unlike the financial disclosures, which are published in accordance with the national law of the respective countries, the Group is consolidated in a combined report on sustainability topics for the first time in 2023. The reasons for this are the increasingly international profile of the Group on the one hand and the Group-wide applicability of our ethical and sustainability-related behavioural standards on the other hand.

The list of companies included in the report is provided below, organised by region:

- Germany: Conrad Electronic SE, ReIn Retail International GmbH
- Austria: Conrad Electronic GmbH & Co. KG
- Switzerland: Conrad Electronic AG
- West region: Conrad Electronic Benelux BV (Benelux countries), Conrad SAS (France), Conrad Electronic Italia srl (Italy),

- Conrad Electronic Norden AB (Sweden and Denmark)
- East region: CE Ceska republika s.r.o. (Czech Republic), Conrad Electronic SP. z.o.o. (Poland), Conrad Electronic d.o.o.k.d. Slovenia (Slovenia), Szinker Aruküldö es Kereskedelmi Kft (Hungary), SOS Electronic
- SAR Hong Kong: Conrad Electronic International (HK) Ltd.
- UK: Rapid Electronics Ltd.

The key indicators for the local subsidiaries are aggregated by region, where this makes sense for content reasons.

The following Conrad Group companies are not consolidated in the 2023 sustainability report:

- Operating companies of five Conrad retail stores in Germany and Austria. Excluded regarding environmental KPIs due to the limited impact of local operations on the Group's environmental performance. Included in terms of all other disclosure e.g. re employees. Full inclusion in the 2024 report to be re-evaluated.

The report was published following approval by the managing directors of Conrad Electronic SE.

## Corporate governance

### Advisory board and advisory committee

The highest executive body of Conrad Electronic SE is a five-member advisory and supervisory body – the Conrad advisory board. It has been chaired by Dr. Werner Conrad – a member of the family which owns the company – since 2021. Except for a brief interruption between 2018 and 2020, Dr. Conrad has been a member of the advisory board since 2012. Dr. Thomas Vollmoeller is the deputy chair of the advisory board. He has outstanding expertise in the commercial sector and has been a member of the advisory board since 2012. The legal professional Prof. Rainer Kirchdörfer has also been on the advisory board since 2012. Dr. Tim Busse, an expert in the field of platform technology, has been a member since 2020. In 2022, Mrs Tanja Maaß was appointed to the advisory board based on her expertise in the area of artificial intelligence. The advisory board is not organised into subcommittees due to the small number of members.

Similarly, the international holding company is headed by an advisory committee. It has three members – Dr. Thomas Vollmoeller, Prof. Rainer Kirchdörfer and Dr. Werner Conrad (Chair) – all of whom are also members of the advisory board of Conrad Electronic SE.

The process for selecting suitable candidates for vacancies on the supervisory bodies is based on requirement profiles of the respective vacancy. The criteria taken into account include the candidate's professional qualifications, how closely their profile aligns with the Group's strategic direction, and an assessment of the candidate's personal integrity. The appointment process takes place in compliance with the legal requirements.

### Management

The operational management of Conrad Electronic SE is overseen by three managing directors led by CEO Ralf Bühler. Ralf Bühler has been a managing director since 2019 and he assumed the role of Chief Executive Officer (CEO) in January 2021. The COO Jürgen Groth has been a managing director of Conrad Electronic SE since 2018. Dr. Sebastian Dehnen took up the role of CFO in September 2022. Local directors oversee the operational management of Conrad's international companies. The local subsidiaries report to an international holding company, which has been represented by Ralf Bühler since 2021.

### Corporate governance duties

The supervisory bodies of the Conrad Group steer the organisation, determine the guiding principles of their activity and monitor their implementation. A close, trust-based relationship is maintained with the managing directors. Decisions that go beyond the ordinary course of business require the approval of the advisory board/committee. These bodies are thus proactively involved in the strategy development process as well as the management of the economic, environmental and social impacts of the Conrad Group's economic activity. The stage of progress in these areas is evaluated in quarterly meetings and a briefing on ESG topics must take place at least once a year. Critical topics and conflicts of interest must be reported without delay. No such reports were made in 2023.

The remuneration awarded to the advisory board is based on an annual fixed salary plus reimbursement of expenses. The annual salaries of executives are based on a monthly fixed salary (70-90 percent of total salary) along with a bonus. The bonus component is 100 percent based on the company's performance. In addition, executives have entitlement to a company car or a compensation payment. Other individual salary components may be negotiated in individual contracts.



### Stakeholder engagement

Conrad is firmly committed to involving internal and external stakeholders in the further development of the organisation and making a positive contribution to the local region and society. Creating value for Conrad's customers is a central concern of the family that owns the company, corporate management and the workforce as a whole. That is why we regularly gauge customer satisfaction so we can devise appropriate improvement measures. Conrad also maintains ongoing contact with suppliers and marketplace sellers to discuss objectives, measures and mutual development opportunities. This is important because Conrad's business success depends to a large extent on the quality of their products and services.

When it comes to regular internal engagement with employees, the measures used by management include quarterly information events, informal surveys with the option to respond anonymously, and transparent communication via the Intranet.

Maintaining productive dialogue with the works council is also a priority. Through its membership of associations and representative bodies, Conrad is an advocate for fair conditions of competition and ethical business principles. It also actively supports regional and national training initiatives. As described under "Material topics", the above-mentioned forms of dialogue are also used to identify the positive and negative material impacts of Conrad's activities in relation to economic, social and environmental sustainability. Examples include assessments of B2B customers or individual customer inquiries on the topic of sustainability. Conrad answers these in a prompt and transparent manner, and the content is used as a weighting factor in the Conrad materiality analysis.

### Taxation and investment

#### Taxation

As an international company, the Conrad Group meets its social responsibility obligations by also fully complying with its tax obligations in the local markets and countries in which it operates.

Our Group's outlook vis-à-vis our local subsidiaries is based on economic considerations. Tax considerations do not play a primary role in our decision-making regarding the locations and business activities of our subsidiaries. Our number one objective is to achieve sustainable growth and long-term success. We are convinced that a strategic approach based on a solid economic foundation will provide the greatest benefits for our customers, suppliers and employees in the long term. The objective of our decision-making is to generate added value, promote innovation, and improve the competitiveness of our Group as a whole.

Compliance with the law and with ethical standards is an essential priority for us. We naturally take taxation aspects into consideration in accordance with the applicable laws and regulations. At the same time, however, these aspects are secondary to the economic opportunities and long-term objectives we pursue for each of our local subsidiaries. The legal representatives in all companies of the Conrad Group are responsible for ensuring the correct payment of taxes in accordance with local laws. The overarching supervisory bodies are responsible for overseeing the accounting processes leading to the preparation of the companies' annual financial statements, which in turn contain information on taxes on income and earnings. All companies receive ongoing tax advice from local practitioners. For more specific or complex tax matters, they consult experts in the respective field. If necessary, the local tax authorities are contacted for any queries related to current tax returns. Tax investigations are regularly carried out for four to five assessment periods. Regular tax returns are completed by internal resources or by external tax advisers, depending on the type of return. Annual financial statements are also accompanied by an auditor's report from an independent auditor.

Since taxes do neither represent a material topic for Conrad in accordance with GRI 3, nor with the ESRS, and a consolidated group view with respect to local tax charges by country is not available for 2023, further details are omitted in this report.

### **Investment**

Conrad Electronic continuously invests in the creation of qualified employment and training positions at all its locations. We also focus on investing in our plants and buildings to ensure that the installed technology is up-to-date and as energy efficient as possible. In line with the Group's strategic direction, our current investment is primarily targeted at the development of digital procurement solutions and the internationalisation of our platform.

In 2023, the Conrad Group received no financial assistance from governments in the form of tax relief, licence exemptions, awards for financial support from export credit agencies or research and development grants.

Subsidies were granted in the following countries:

- Italy: EUR 6,900 in the form of a subsidy for advertising expenses
- Austria: EUR 45,257.43 in the form of subsidies and support for the provision of employee on-boarding and training, and EUR 2,979.53 in the form of various support and financial assistance schemes in connection with Covid-19.
- Netherlands: EUR 44.600 in the form of a subsidy for parental leave and employing individuals with vulnerable positions in the labour market
- SAR Hong Kong: HK\$ 18,595.06 in the form of a reimbursement of maternity leave (RMLP) Scheme

There are no state holdings whatsoever in companies of the Conrad Electronic Group.

## Compliance

### Compliance with laws and regulations

The Conrad Group was not involved in any serious instance of non-compliance with laws or regulations in 2023. Fines totalling EUR 320.50 were imposed in Germany due to minor infringements in three cases. All three cases were related to product labels, compliance or exceedance of limits. In Switzerland, two violations involving products that did not meet the legal requirements attracted fines totalling CHF 2,212.00. Corrective action was taken without delay in all of the above-mentioned cases. In the area of marketing and communication, no violations punishable by a fine occurred. Individual customer complaints, which are not subject to official sanctions, are treated seriously and comprehensively dealt with by customer service. No quantitative data on this has been recorded to date. Conrad takes the security of customer data very seriously as part of its desire to be recognised as a reliable partner. In view of the increasing risk of cyberattacks, Conrad is steadily investing in prevention measures and is aiming to achieve an ISO 27001 certification. No data theft or data losses occurred during the reporting period.

### Anti-competitive behaviour

Fair competition is the basis for free and sustainable development of the market. That is why the Conrad Group is committed to fair and undistorted competition and rejects all forms of anti-competitive behaviour. There is a zero-tolerance approach to violations. For example, employees are forbidden to engage in discussions with fellow competitors about prices, production performance, capacities, sales, tenders, profit, profit margins, costs, distribution methods or other factors that determine or influence Conrad's competitive behaviour. They are also not permitted to collude with competitors to refrain from competing, restrict business relations with suppliers, submit rigged bids in tender processes or allocate business customers, markets, territories or production programmes. In addition, there is a prohibition on influencing the resale prices of Conrad's business customers. During the reporting period, there were no complaints regarding anti-competitive behaviour in violation of anti-trust or monopoly legislation and no pending legal actions were concluded.

### Anti-corruption

The Conrad Group sets out its anti-corruption policy in its Code of Conduct and the policy is strictly observed at all of Conrad's entities. Violations of these rules by employees result in disciplinary measures up to and including termination. Violations by business partners may result in termination of the business relationship or other consequences under civil or criminal law. Generally speaking, the making, promising or granting of offers for the purpose of an improper financial, legal or personal advantage is prohibited. Risks related to corruption that are individually covered by the Code of Conduct are as follows:

- Personal gifts and other benefits
- Invitations and entertainment
- Facilitation payments
- Kickbacks, rebates and commissions
- Donations and sponsorship
- Payments without a clear business purpose

All members of the supervisory bodies and the operational management are familiar with both the Code of Conduct – including

the anti-corruption policy – and the procedures for ensuring compliance with this policy. This extends to all employees, suppliers and other business partners. In 2023 all employees received training on the updated version of the Group's Code of Conduct including its provisions on anti-corruption. No case of corruption came to light.

### **Freedom from discrimination**

Equal treatment of all people, regardless of their origin, nationality, religion, culture, world-view, gender or sexual orientation, forms an integral component of the Conrad Group's common values system. We therefore treat possible cases of discrimination very seriously and follow them up with due determination. Freedom of association and the right to engage in collective bargaining are ensured at every Conrad location. In the 2023 reporting year, no case of discrimination was reported either to the Compliance team or local HR departments.

### **Whistleblower system**

In 2023 the Conrad Group updated its whistleblower system and processes to ensure professional handling of complaints in a multitude of languages. The complaints procedure enables all employees, customers, suppliers and other persons to anonymously report alleged wrongdoings, human rights and environmental risks as well as violations of human rights or environmental obligations, if these have arisen as a result of economic activities by the Conrad Group in its own business area or of a direct supplier.

Anonymous reports may be submitted to the Conrad Group:

- Via our online Whistleblower system
- By post to the following address: Ratisbona Compliance GmbH, Trohengasse 5, 93047 Regensburg
- By contacting our hotline +49 941/20 60 38 42
- By approaching our internal Compliance Team

Whistleblowers will receive notification of receipt while maintaining their confidentiality. The Conrad Group guarantees that the reported facts will be discussed and examined with the whistleblowers impartially, independently and not bound by instructions.

03

# The Conrad quality promise



## The Conrad quality promise



## Our supply chains

As a trading company, Conrad maintains close relationships with the manufacturers and suppliers of the products we offer. We foster long-term, stable business relationships and regard it as our duty to use our influence as a business partner to extend compliance with the environmental and social standards that we uphold within our company to the greatest possible extent along our entire value chain. Our own Code of Conduct therefore forms the basis for all contractual relationships. That is why we oblige our suppliers not only to comply with our standards of behaviour and safeguard our company values, but also implement these in their own supply chains and thereby fulfil their due diligence obligations. These include the respect for human rights, the prohibition of forced labour and child labour, taking responsibility for the health and safety of their employees, and environment-related duties of care.

## Due diligence requirements to protect people and the environment

In the 2023 reporting year, Conrad once again invested heavily in the fulfilment of our due diligence duties to protect workers and the environment along our entire supply chain.

We initiated a regular systematic risk monitoring of all our suppliers regarding potential violations of human rights or labour law or laws relating to environmental and climate protection, updated our Code of Conduct for suppliers, and upgraded our whistleblower mechanism – as outlined under “whistleblower system”. Furthermore, Conrad conducted a series of live-trainings regarding the importance of labour rights with several cohorts of suppliers located in geographical areas assessed as “risky” in terms of potential violations. All these measures allow us to ensure full, group-wide compliance with the German Supply Chain Due Diligence Act (LkSG) from January 2024 onwards.

Another important topic for Conrad is the due diligence and inspection requirements in relation to any conflict minerals contained in the products imported and traded by the company. We continuously strive for maximum transparency in this area. For more information, please refer to [“Circular economy – products”](#).

No negative impacts were reported in 2023, and there was accordingly no need to define countermeasures or impose penalties.

## Procurement security

Conrad is a reliable partner when it comes to procuring millions of technologically advanced products for its customers. Quality is a top priority, but we also know that our customers expect the shortest possible shipping distances and delivery times. That is why Conrad prefers to source its merchandise from local suppliers. Almost ninety percent of all products and services consumed by Conrad Electronic SE itself or sold via its logistics centre are sourced from suppliers headquartered in Germany. Of this number, just over one quarter are in turn based in Bavaria. At Group level, imports from non-EU countries are kept to a minimum for the sake of reliable supply chains. Non-EU imports are processed by our purchasing company headquartered in Hong Kong for better operational control. In the area of shipping, we try to avoid air freight as much as possible

## Product information

The high quality of the products sold via our platform is a major priority for the Conrad Group. Consumers may be harmed if defective products reach the market. Other negative consequences include loss of reputation or even liability claims against Conrad. We therefore take the issue of product safety very seriously and regularly carry out strict quality controls on our range of products to ensure compliance with the legal standards. The carefully selected products sold on our curated marketplace are also all sourced from responsible sellers.

In order to guarantee transparency for consumers, Conrad obliges all suppliers and sellers (as the manufacturer or distributor) to comply with the statutory requirements to provide information on product conformity (CE marking) as well as on product origin and environmentally sound disposal.

Information on compliance with the EU Chemicals Regulation REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) which we receive from our suppliers can be found on our website ([REACH information provided by our suppliers](#)). The REACH Regulation applies to Conrad's entire product range and it minimises the risks that may arise across the lifecycle of a product due to the use of chemicals.

Information regarding compliance with the EU's RoHS Directive (Restriction of Hazardous Substances in electrical and electronic equipment) can also be found on the online store. The RoHS Directive restricts the use of certain hazardous substances in electrical and electronic equipment and applies to almost 60 percent of Conrad's product range.

As a distributor, Conrad passes on the provided REACH-and RoHS-related information, but it cannot give any guarantees or warranties in this role as to the accuracy of this information. For its Private Label range, Conrad directly guarantees compliance with all legal requirements for the distribution of products within the EU as part of its producer responsibility. It goes without saying that Conrad's own product responsibility does not end at the point of sale to its customers. When it comes to returns and the disposal of sold products, we try to make things as easy as possible for customers while avoiding the waste of resources. Further information on this is provided under "[Circular economy](#)".

# 04

## Environmental & climate protection

### Highlights

- 36% reduction of our Scope 1 footprint compared to 2022
- EMAS Certification in Germany
- ISO 14001 certification in the UK





**Environmental & climate protection**



**Environmental management**

The Conrad Group strives to reinforce the positive impacts of its business activities on the environment, people and society while minimising the negative impacts. Our environmental policy, which includes a commitment to continuous improvement, therefore applies to all companies of the Conrad Group. It covers the key topics of resource conservation and climate protection, circular economy and transparency. Since 2006, our largest locations – the Group headquarters in Hirschau and the logistics centre in Wernberg-Köblitz – have an environmental management system verified in accordance with the EMAS Regulation in place and have regularly been publishing an EMAS-validated environmental statement. Rapid Electronics, which is located in the UK, is independently audited under ISO 14001:2015 regulations.

**Energy consumption**

As an active contribution to world wide decarbonization efforts, Conrad seeks to reduce its energy consumption by leveraging energy savings and aims to gradually improve its climate protection performance by switching to renewable energy sources in all of its locations.

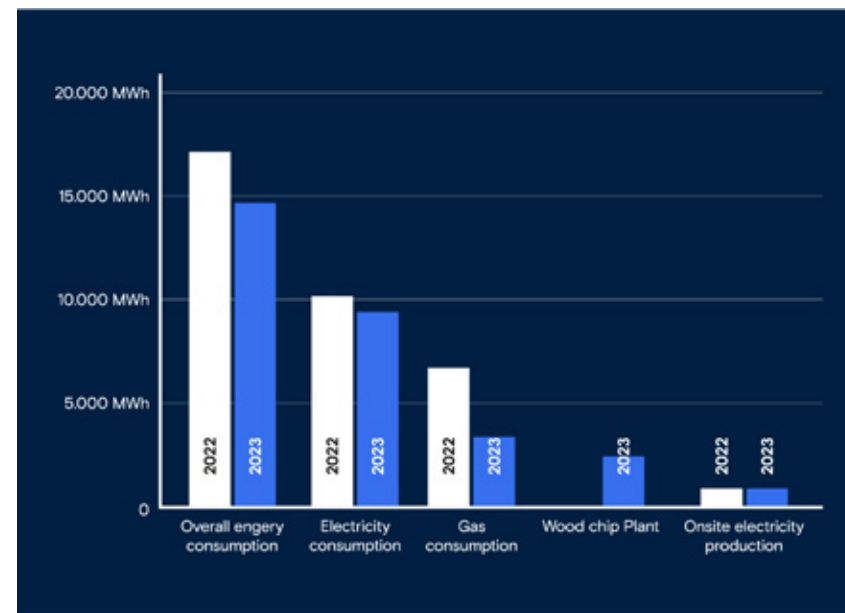
We began this journey in 2013 by switching to electricity from renewable energy sources at our administrative HQ in Hirschau and our logistics centre in Wernberg-Köblitz. Since then, the remaining locations in Germany and our local entities in Sweden, Slovenia, the Netherlands and Switzerland have also gradually switched to electricity from 100% renewable energy sources. Other countries, e.g. France or Austria, are on similar trajectories and report increasing shares of renewable energy in their electricity consumption mixes.

In Hirschau and Wernberg, four photovoltaic systems additionally produce electricity from renewable sources onsite. In 2023 the produced output of 1,538,866 kWh was able to cover roughly 18% of our local electricity consumption in these two locations.

In terms of heating, natural gas is still widely used. We are however committed to reducing and eventually replacing it with renewable energy sources. A first important step in that direction was the

successful re-commissioning of a wood-chip power plant in Wernberg-Köblitz, which resulted in a local reduction of 58% in kWh produced from natural gas in its first heating period in the winter of 2023.

**Overall energy consumption Conrad Group (excl. SOS und Rapid):**



In the reporting year, the total energy consumed in Germany (13,882 MWh) accounted for over 94 percent of the total figure for the other consolidated companies (863 MWh). Details on the energy consumption and production patterns in Germany can be found in the independently audited EMAS report published annually on our website. The data from all other locations was not independently audited.

Data for our Group members Rapid Electronics in the UK and SOS Electronic in Slovakia was not available for the year 2022 and thus not included in the previous year comparison. We will include them in the



overall comparison in following periods.

The 2023 data presents as follows:

- SOS Electronic: 55.4 MWh in electricity and 103.8 MWh for heating with natural gas
- Rapid Electronics: 447 MWh in electricity and 684 MWh for heating with natural gas

The Conrad Group does not at present report data on energy consumption outside its own organisation. For information on our CO<sub>2</sub> emissions (Scopes 1-3) in accordance with the Greenhouse Gas Protocol (GHGP), please refer to "[Climate protection](#)".

### Energy intensity

Conrad Electronic measures its energy intensity by dividing its total electricity consumption by the number of packages shipped per year. The figures only cover the German organisation and are not consolidated for the entire Group. This is as a result of the EMAS certification, which refers to the German company Conrad Electronic SE. The energy consumption of both the logistics centre and the administrative HQ in Hirschau are included in the calculation. In 2023, the energy intensity was recorded at 1.57 kWh/package (previous year: 1.61 kWh/package). On average, the overall electricity consumption per package is more or less one kilowatt-hour. Our ongoing measures to reduce energy consumption combined with a good capacity utilisation rate are reflected in the continuous reduction of the electricity consumption per package indicator since 2005.

### Energy saving measures

The absolute value for electricity consumption within the Conrad Group decreased by 10.4 percent in 2023. The largest local savings – with 12.4 percent – were realised in our logistics centre (previous year: - 4.22 percent) through various measures, such as installing LED lighting and reorganising commissioning lines. Due to an increased presence of employees in our headquarter after Covid 19-restrictions ended, we experienced an increase of local electricity consumption in Hirschau of 4.2 percent. Our other office locations were able to save energy by decreasing AC usage, conducting awareness campaigns and utilising smart building solutions.

## Climate protection

The Conrad Group recognises the ongoing process of climate change as one of the biggest challenges of our time. The risks associated with climate change affect us and our supply chains in the form of extreme weather events among other things. We have accordingly started to include these risks in our ongoing corporate risk management evaluation. Our objective is to reduce our emissions and make a contribution towards the climate goals of the Paris Agreement. We use the “Greenhouse Gas Protocol Corporate Accounting and Reporting Standard” as updated in 2015 to measure our greenhouse gas emissions (GHG Protocol).

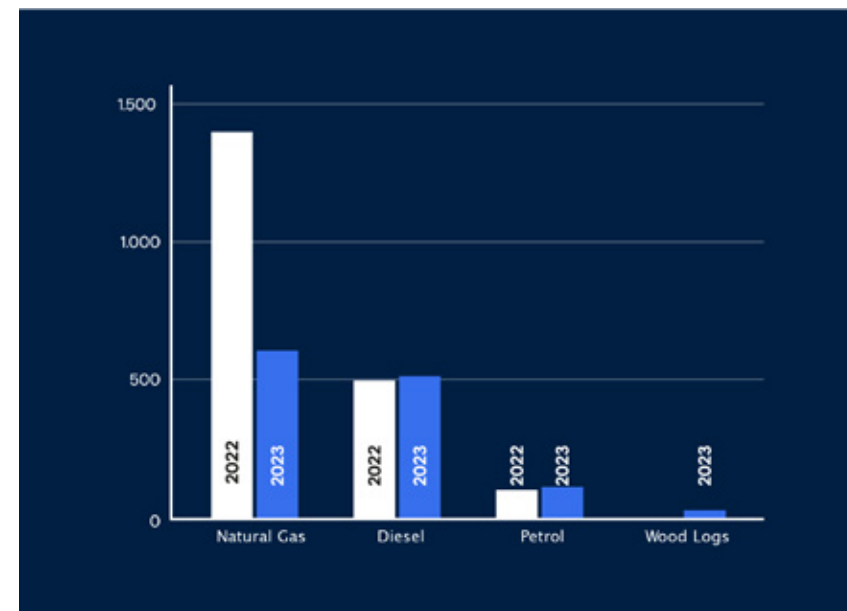
Apart from CO<sub>2</sub>, no other emissions that contribute to climate change, damage the ozone layer, or are otherwise problematic, are produced.

### Direct (scope 1) GHG emissions

Direct greenhouse gas emissions as defined by the GHG Protocol are produced in the Conrad Group through the use of natural gas for heating our locations and by company cars with combustion engines. In cooperation with a service provider a total of 1.277 kilotons CO<sub>2</sub>e was determined as Conrad’s Scope 1 emissions within the 2023 reporting period (previous year: 1.992 kilotons CO<sub>2</sub>e -35.9%). In terms of per capita emissions, this leads to a group-wide average of 623 tonnes of CO<sub>2</sub>e per employee in 2023 (without SOS and Rapid). A decrease of 41.5 percent compared to the previous year.

This significant reduction of Scope 1 emissions from 2022 to 2023 is mainly due to the significant reduction in natural gas consumption at the Wernberg location due to our newly instated wood chip power plant (minus 58%). In addition to that, the restructuring of our company fleet towards more e-mobility was gaining momentum in 2023.

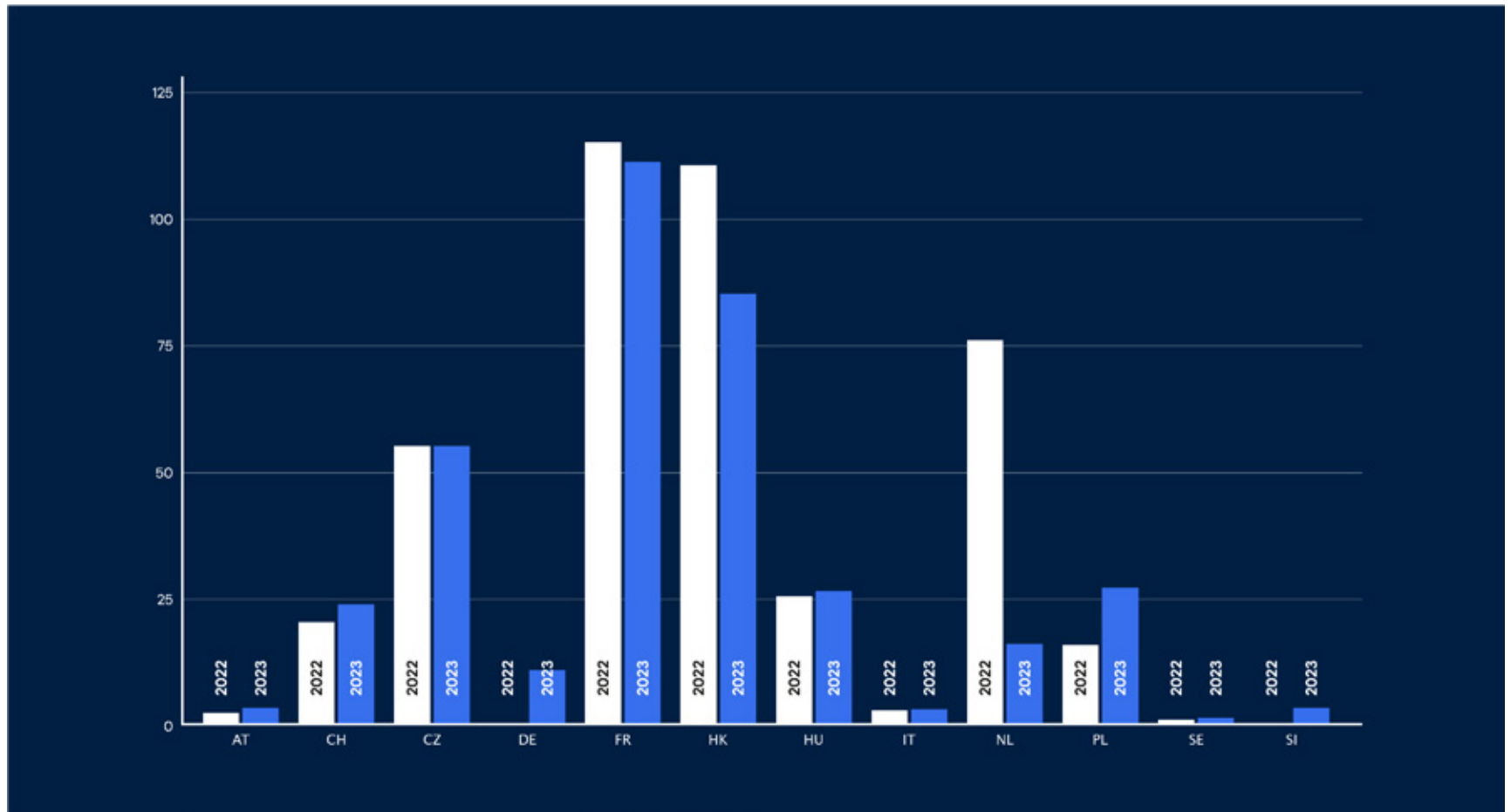
The above mentioned figures do not include the emissions from SOS and Rapid, which were not available at the time of this report’s publication and will be published in subsequent periods.



**Energy indirect (scope 2) GHG emissions**

The Conrad Group’s Scope 2 emissions are a result from electricity consumption at all locations and natural gas powered heating in a small number of locations, where Conrad is only an office tenant without significant impact on energy purchasing decisions. In 2023, our overall Scope 2 emissions amounted to 370.8 tonnes CO<sub>2</sub>e using a market-based calculation approach. This is a reduction

of 13.5 percent compared to the year 2022 (428.9 tonnes CO<sub>2</sub>e). This reduction was achieved by implementing efficiency measures outlined under “[energy saving measures](#)” and by increasing our share of renewable electricity in our market mix. In 2023 our entities in Germany, Sweden, Slovenia, the Netherlands and Switzerland already use 100 % green electricity. More countries are gradually increasing their respective shares.



The above mentioned figures do not include the emissions from SOS and Rapid, which were not available at the time of this report’s publication and will be published in subsequent periods.



### Other indirect (Scope 3) GHG emissions

In the total reckoning of the Conrad Group's Scope 1, Scope 2 and Scope 3 emissions, by far the largest volume (99 percent in 2023) of CO<sub>2</sub>e emissions is produced in the upstream stages of our value chain. These are globally distributed and very difficult to influence. Amongst other things, upstream emissions are produced in the extraction of raw materials, the manufacture of huge numbers of all kinds of primary and end products as well as through the use of packaging materials and in the transport of products. Conrad recognises that reducing Scope 3 emissions is essential to mitigate climate change and aims to support decarbonization of the supply chain by meaningful supplier engagement and a shift to climate friendly procurement practices, e.g. by minimising air freight and increasing circularity.

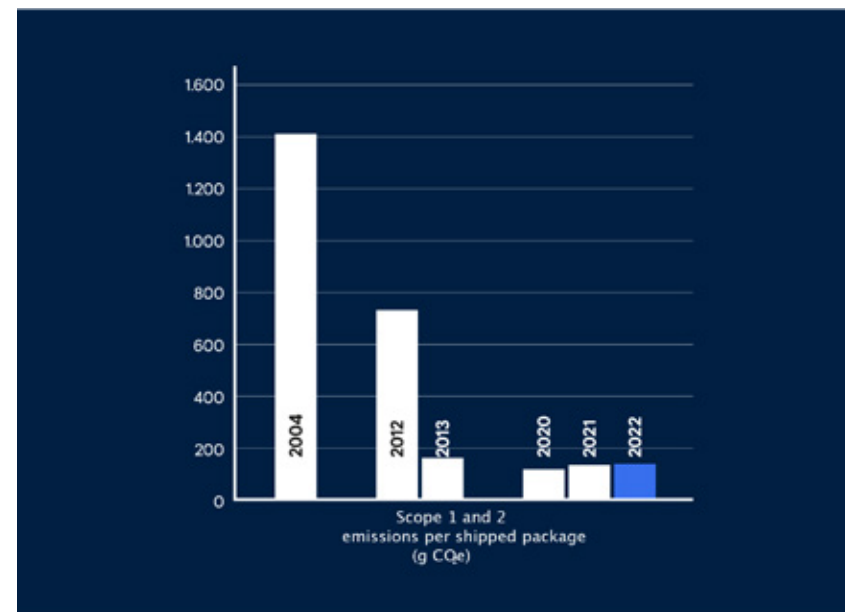
In cooperation with an external service provider we calculated our Scope 3 emissions for the first time regarding our base year 2022 and the year 2023. To this point, the calculations include the first six categories of Scope 3 emissions using a spend-based approach. The calculation of the remaining relevant categories, i.e. Employee Commuting (Category 7), Use of Sold Products (Category 11) and End-of-Life Treatment of Sold Products (Category 12), is still ongoing.

The results show a Scope 3 footprint of 222 kilotons CO<sub>2</sub>e in 2023. This is a reduction of 13 percent compared to the base year 2022 (257.2 kilotons). This was mainly achieved by strategic switches in our assortment and a preference for suppliers with a comparatively low carbon footprint. Further optimization potentials are currently being evaluated.

The above mentioned figures do not include Scope 3 emissions for SOS and Rapid, which were not available at the time of this report's publication and will be published in subsequent periods.

### GHG emissions intensity

Conrad also calculated the intensity ratio for greenhouse gas emissions for the 2023 reporting period, based on the relevant shipping activities, using the total of its Scope 1 and Scope 2 CO<sub>2</sub> emissions from the Hirschau and Wernberg locations, divided by packages shipped per year. The effectiveness of the climate protection measures already implemented is very clear to see over time. In 2004, when the first photovoltaic system went live, the emissions intensity per package was 1.40 kg of CO<sub>2</sub>. Continuous optimisation measures have resulted in a CO<sub>2</sub> intensity per package coming in as low as 62 grams in 2023 (previous year: 132 grams).



### Reduction of GHG emissions

The reduction of CO<sub>2</sub> emissions is one of Conrad's main ESG priorities and a core component of our corporate sustainability strategy. Using the year 2022 as the base line, we are currently in the process of setting ambitious and binding reduction targets for ourselves by the end of 2024. The absence of quantitative reduction targets up to this point is due to an incomplete carbon accounting process, which in the past did not include Scope 3 emissions. However, our track record in achieving meaningful Scope 1 and 2 reductions since 2005 is proof of our longstanding commitment towards a carbon neutral future.

The most important milestones on our way to decarbonizing our own operations were the implementation of our four photovoltaic systems, the switch to electricity from 100 % renewable sources in five countries and finally the re-commissioning of our wood chip power plant in 2022. Furthermore, we continuously improve our heating and energy efficiency under our EMAS audited environmental management system and already offset around 90 % of the carbon emissions from transporting packages to customers within Germany, Austria and Switzerland in partnership with our parcel service providers. When it comes to choosing other contractual partners and contractors, we favour regional providers within short transport distances. For instance, the main suppliers for our packaging materials are located within a radius of around 100 kilometres from Hirschau and Wernberg.

The next steps on our journey to meaningful decarbonization are currently under assessment and will be published within our 2024 Corporate Sustainability Report.

### Water

In all parts of the world, water is a scarce natural resource which we as a Group have to share with others. We therefore want to reduce our water use as much as possible and avoid waste and pollution. Since we primarily use water for sanitation at our locations, excessive pollution is not an issue. Process water is not used at any Group location and therefore there is no impact related to process water. We source the fresh water we require for our low levels of consumption from local utility companies. Water stress is not a major problem at any of our locations. We therefore do not regard our water consumption as a material topic in accordance with GRI 3 or under ESRS E3. A detailed breakdown of our water consumption in Germany – our biggest point of consumption – can be found in our publicly available and EMAS audited [environmental statement](#).

### Biodiversity

Maintaining biodiversity and preventing species extinction is an important topic at the global level. However, given that the Conrad group's business activities carried out at our own locations do not produce significant negative impacts on biodiversity, and considering the high priority we place on responsible environmental management in our supply chains, and the limited impact of biodiversity loss on our business model, we do not regard biodiversity as a material topic in accordance with the GRI Universal Standards 2021 or under ESRS E4.

# 05 Circular Economy

## Highlights

- 5-fold increase of eco-labelled products in the Conrad assortment
- 99.2% of our packaging materials is made from recycled fibres
- 20% reduction of site waste in Germany



## Circular economy



Dwindling resources and climate change mean that a global effort is required to move away from the throwaway society towards a carbon-neutral, environmentally sustainable and non-toxic circular economy by 2050 at the latest. The “Global Resources Outlook” report by the UNEP (United Nations Environment Programme) shows that if we continue to use resources at our current rate, we would need three planet Earths to meet our demands by 2050.

In its “Circular Economy Action Plan” published in 2020, the European Commission puts forward a concrete set of actions to speed up the transition. These actions are in line with the EU’s aim to be climate-neutral by 2050 and cover all stages of the value chain from product design and production through consumption, repair, waste management and secondary raw materials that are put back into the economy.

As a sourcing platform for electronic and technology products, Conrad can – through its actions – make a significant contribution towards the transition to a circular economy at every stage. This accordingly represents a key activity field of our sustainability strategy.

## Products

### Transparency regarding basic materials

The products sold directly by Conrad or via sellers for the most part contain basic materials made of various metals with different technical properties as well as a wide range of plastics. All of the plastic materials have to meet different performance requirements. It is estimated that most of the plastic components were originally made from fossil fuels. Glass is another material that is used in many products.

As part of our supplier management system, we have set ourselves the objective of achieving maximum transparency on the type and volume of basic materials used. Our previous work on this topic has shown that this process will continue well beyond 2025. The same applies to the recording of the resource consumption in our upstream supply chains, which are significantly higher than at our own locations, as well as to the preferred use of recycled or renewable materials in the products.

Rare-earth minerals from countries where human rights are not observed may constitute a potentially problematic exception in terms of the basic materials used. For its part, the Conrad Group does not import any cobalt, mica, conflict minerals (tin, tantalum, tungsten and gold; also known as “3TG”) or their derivatives from cassiterite, columbite-tantalite and wolframite directly from metallurgical works or other sources in conflict or high-risk regions. At the same time, all six of the above-named minerals are widely used in the manufacture of electronic components around the world and it is possible that they are present in the electronic components we sell to our customers. We are fully aware of our responsibility in this area and follow the OECD Guidelines as well as the United Nations Guiding Principles on Business and Human Rights. We further question the procurement and manufacturing practices of our business partners to the best of our ability and exclusively use well-known manufacturers and long-standing distributors. Currently we do not have any information on the presence of materials from conflict or high-risk regions that are not deemed to be “conflict-free”. However, we do not have direct influence on the source of the minerals used and the statements are based on data provided to us by manufacturers and suppliers.



As outlined in this report's [spotlight story](#), Conrad achieved compliance with the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz), which applies to Conrad as of January 1st 2024. We continuously cooperate with our suppliers on increasing transparency and combine the obtained data with independent data sources for an objective risk analysis. This goes hand in hand with supplier training, an effective whistleblower system and other measures. This way, we have created an early stage warning system regarding potential non-compliance and enough transparency to provide our customers with reliable statements and thereby support them in an adequate manner in fulfilling any burden of proof they may have.

### Eco-friendly product design

Conrad contractually obliges all of its suppliers to comply with the EU's Ecodesign Directive and implements this with regular quality checks. The Directive sets out requirements for the eco-friendly design of "energy-related products" – applying therefore from the start of the product lifecycle. As well as energy-using products, it also covers products that affect the energy consumption of other systems. Through our compliance with the Directive, we are contributing to the more efficient use of resources, the avoidance of waste, and the creation of a stronger market for efficient and environmentally friendly products. In addition, through its compliance with the EU Chemicals Regulation REACH and the RoHS Directive, Conrad counteracts the risks for people and the environment associated with the recycling of e-waste. Electronic components that meet the requirements of the RoHS Directive are identified as such in the online stores.

### Identification of products with environmental benefits

Conrad is endeavouring to increase the share of products with proven environmental benefits as opposed to comparable alternatives in its range. We give customers the opportunity to include this criterion in their buying decision by labelling products with environmental benefits with the word "ECO". Every product marked "ECO" has at least one of the following certifications: Blauer Engel (Blue Angel), TCO Certified or EU Ecolabel. Since 2023 products with the "ECO" badge can be searched systematically in our online shop, using the filter option "eco badge".

In addition, Conrad provides comprehensive information on energy efficiency classes and highlights products with plastic-free packaging.

In 2023, we were able to increase the number of products with an "ECO" badge in our portfolio almost fivefold. This is attributable both to our product range strategy with a stronger focus on environmental issues and to better data reconciliation with external databases.

Label	Number of items in 2021	Number of items in 2022	Number of items in 2023
„Blauer Engel“	426	762	8,951
EU Ecolabel	55	71	384
TCO Certified	170	1,084	1,013
<b>Total number of items with "ECO" labelling</b>	<b>651</b>	<b>1,917</b>	<b>10,348</b>

**Extended useful life of product**

EU statistics show that electrical and electronic waste makes up the fastest growing waste stream in the EU. This poses a particular problem considering that the current recycling rate is less than 40 percent. To start making progress towards a circular economy, we need to extend the useful life of existing products and thereby reduce the amount of waste produced.

Conrad makes an important contribution here through its responsible approach to customer returns and innovative services to enable different types of product usage.

To avoid product returns, Conrad tries to make its product descriptions and images as accurate as possible. Where returns are unavoidable, we take responsibility for giving the products a second life in a way that saves maximum resources. In 2023, this efficient management approach meant that we were able to re-sell more than fifty percent of returned products as Class A merchandise following a quality check. Approximately 25 percent of returns were sent back to the manufacturers or suppliers as part of our contractual agreement with them. A further 24 percent of returns were put back onto the market at a reduced sales price due to minor defects. Only about one percent of returns had to be disposed of in the proper prescribed manner due to their condition (e.g. opened hygiene items, used batteries, faulty lamps).

Conrad also encourages changes in consumer behaviour by offering services that help to extend the product use phase and thereby save resources. These include our continuously growing range of refurbished products with currently over 50k offers by more than 50 different suppliers or marketplace sellers. In many product categories, including automation, notebooks, monitors and printers, we offer customers a high-quality alternative to the purchase of a new product. These offers naturally also include a warranty and a test phase.

With our trade-in programme meanwhile, consumers have the option to give their used electronic device a second life when it is sold to someone else. They can receive a fair market price for their device, depending on its condition, by sending it to our partner Recommerce.

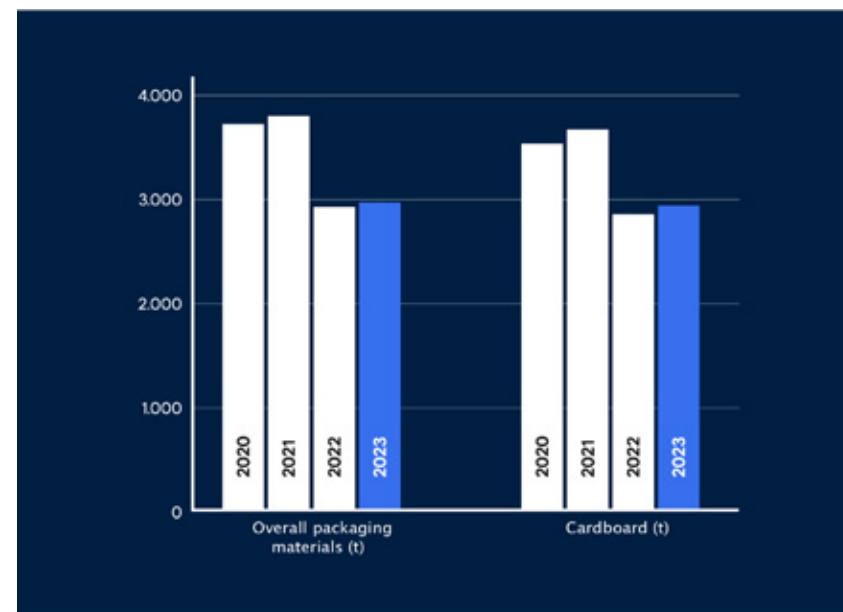
## Packaging

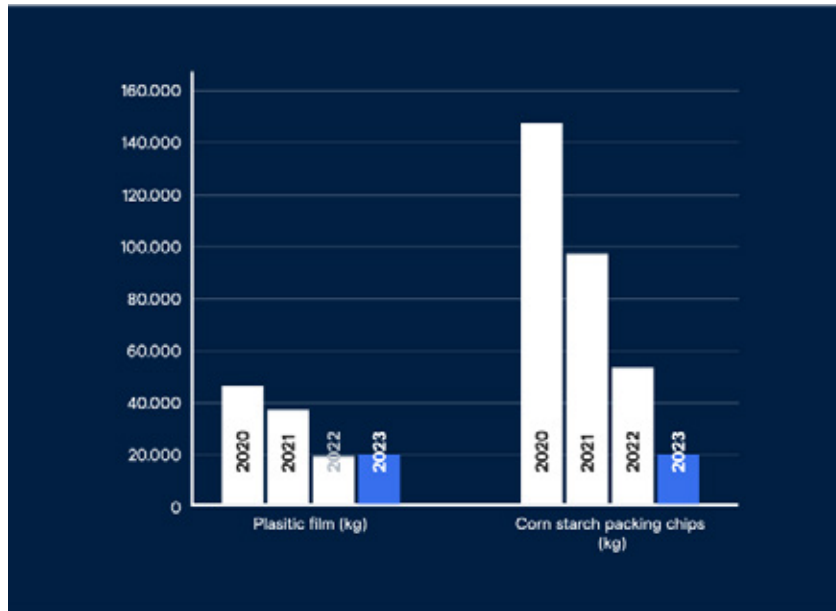
Statistics show that the average packaging waste produced in Europe every year comes to almost 180 kg per person. That is why the European Commission published a draft regulation on packaging and packaging waste in 2022, with the target for the latter aiming at a 15 percent reduction per Member State per capita (2018 baseline) by 2040. This is to be achieved through reuse and recycling. On April 24th 2023, the EU Parliament adopted the EU Packaging Regulation (PPWR) by a clear majority.

Packaging waste is produced at our own locations and by our customers due to our commercial activity. In the case of items that are shipped indirectly to customers via suppliers and sellers, these are picked at the Wernberg logistics centre (LOC) and made ready for dispatch to international B2B customers and private end consumers. This means that the products are first removed from their transport packaging – which becomes packaging waste at the logistics centre. You can read more about our process for dealing with this category of waste under [Reduction of site waste in Germany](#). If necessary, Conrad transport packaging is added to the products in a second stage. Depending on the type of customer, this becomes commercial or municipal waste and is sent to recycling by our customers. As the consignor, our aim is to set a good example here, which is why we are committed to using sustainable shipping packaging made from recycled materials wherever possible.

### Sustainable shipping packaging

The packaging materials used for shipping at LOC mostly comprise recyclable cardboard boxes, recyclable crinkle paper, corn starch packaging chips and plastic film. At 98.4 percent, cardboard boxes accounted for the majority of the packaging used at LOC in the 2023 reporting year (previous year: 97.7 percent). Corn starch packaging chips made up around 0.8 percent (previous year: 1.87 percent) and plastic film made up 0.8 percent (previous year: 0.41 percent). The total weight of the packaging materials used was 2,990 tons (previous year: 2,896 tons). In 2023, 0.339 kilogrammes of packaging materials were used per package (previous year: 0.290 kilogrammes). The share of non-renewable packaging materials was under one percent in line with the previous year. This means that the share of packaging materials made from renewable materials was around 99.2 percent. The cardboard used by Conrad for its shipping packaging at LOC in 2023 was made from 100 percent recycled fibres. The greenhouse gas emissions resulting from the production of the cardboard was offset by our supplier. This information is printed on the packaging boxes and therefore visible to our customers.





### Continuous optimisation of product packaging

In the case of Conrad's own brands, Conrad Electronic has been working intensively with its suppliers since 2018 to design more environmentally friendly product packaging and altogether avoid the use of plastic in transport and consumer packaging. The focus here is on the elimination of PVC and expanded polystyrene (EPS) as well as the substitution of plastic packaging components with cardboard materials. At 14 tons, the total volume of plastic packaging used in 2023 was further reduced by 53 percent relative to the previous year (30 tons). The reduction since 2018 amounts to just under 85 percent. Shipping pallets are as a matter of course re-used unless they are damaged.

## Recycling and waste management

### Collection and recycling of used devices

The European Union's WEEE Directive sets out provisions for the placing on the market and recovery of waste electrical and electronic equipment. The separate collection and recycling of e-waste is important to avoid it being disposed of in household refuse. This should also help to combat the illegal export of used electrical and electronic equipment to third countries and keep valuable raw materials in the EU so they can be reused.

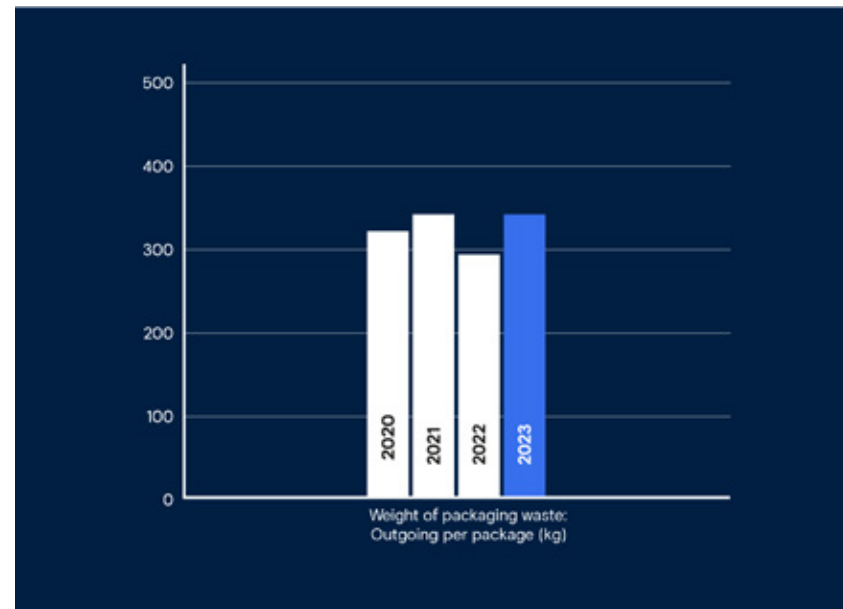
Even though the WEEE Directive sets out the EU-wide legislative framework for the various obligations of manufacturers, it is individually implemented in each EU Member State through national laws like Germany's Electrical and Electronic Equipment Act (ElektroG). There is no EU-wide registration system for electrical and electronic equipment; instead, each Member State has adopted its own solution. The same applies to other waste directives, such as the legislation on used batteries and packaging.

All of the companies included in this report that are based in an EU Member State (incl. UK) and which sell electrical and electronic equipment comply with the corresponding national legislation. In Switzerland, the Ordinance on the Return, Taking Back and Disposal of Electrical and Electronic Appliances (VREG) is applicable. In Hong Kong, the Conrad Group does not sell any electrical or electronic equipment. For more information on the legislation that applies in each country, please see the websites of our local subsidiaries.

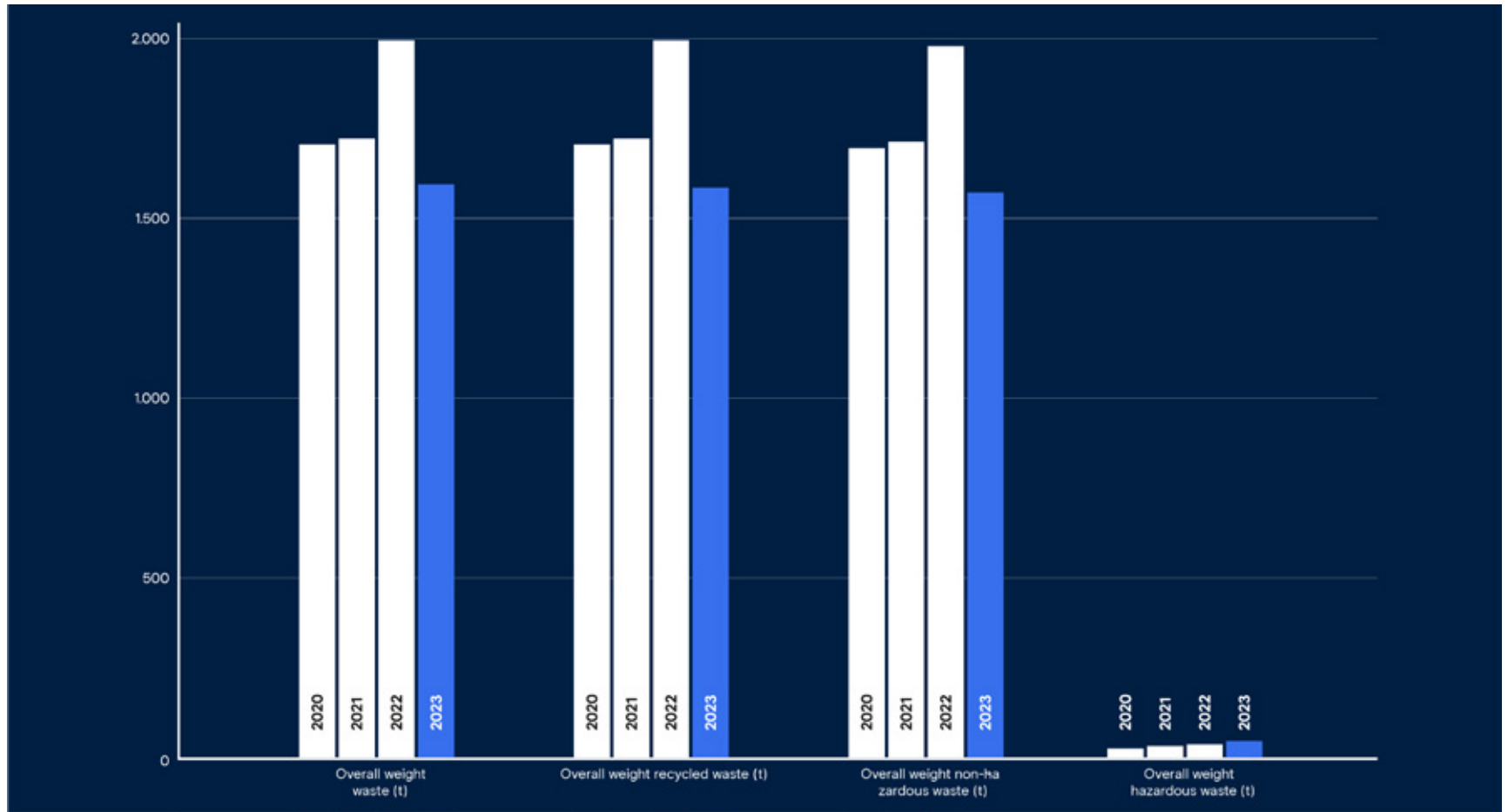
### Reduction of site waste in Germany

Just under 83.5 percent (previous year: 86 percent) of the total waste produced at our German sites is accounted for by transport packaging of incoming goods. This is mostly paper, cardboard and film. The remaining around 15 percent is mainly made up of metals, plastics and commercial waste of a similar nature to household rubbish. Less than two percent is "hazardous" waste to be accompanied by documentary proof and which we are mostly able to send to recycling. In 2023, the measures we adopted to reduce the amount of incoming packaging as well as the waste we produce ourselves have been successful and resulted in a 20 percent reduction of overall waste tonnage compared to the previous year. Conrad has long been able to point to a high recycling rate of over 99 percent relative to its total volume of waste.

### Weight of packaging waste – Outgoing

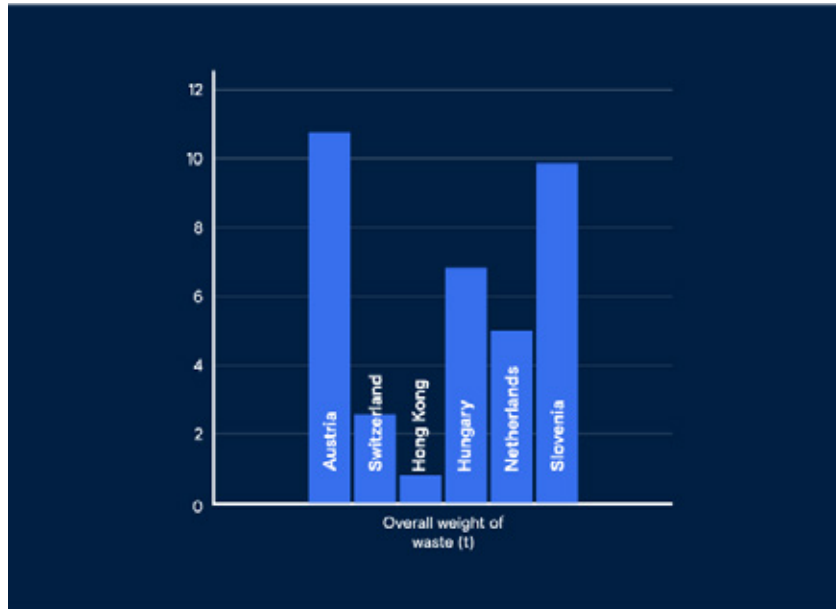


### Overall weight of waste by category



### Waste management in the other Group companies

High-quality indicators for waste management in Germany are available due to the EMAS certification (introduced in 2006) of our main locations in Germany. The figures from all other locations were not independently verified and are therefore compiled in a separate graphic. Unfortunately, it was not possible to obtain details on the waste treatment and volumes for all our local subsidiaries – CZ, IT, PL, SE, SL and UK are excluded for that reason. Our goal is to provide more detailed and complete information on the disclosures of our local subsidiaries in the coming year.



Slovenia: Tonnage calculated using factors by the Bavarian State Office for Statistics (volume to tonnage)

Switzerland: Tonnage from CH only applies to municipal waste

# 06

## Employees

### Highlights

- Successful certification as "Great Place to Work" 2023
- 25 year anniversary of cooperation with Jurawerkstätten Amberg, a workshop for the disabled
- Mentoring Program to support learning journeys





## Employees



Qualified employees are a decisive success factor for the Conrad Group. We attach great importance to fair and attractive working conditions, respectful relationships, and career advancement opportunities at all locations. Our Code of Conduct ensures that these principles are firmly embedded in our corporate culture and implemented on a daily basis.

The Conrad Group offers flexitime models and numerous employee benefits in order to counteract shortages of skilled labour. It also clearly positions itself as a training organisation and has a diverse location policy with offices in 17 cities.

In order to react in a flexible manner to seasonal fluctuations in the orders received from Conrad customers as well as the use of holiday and overtime entitlements by employees in the LOC logistics centre, Conrad employs a small number of temporary workers in the logistics department. These extra staff are treated as equivalent to regular employees in accordance with the German Act on Temporary Agency Work (AÜG). In 2023, between 42 and 69 (previous year: between 68 and 111) temporary staff were employed full-time at the logistics centre, depending on the month.

From time to time, Conrad concludes individual contracts with independent providers of services like translation, graphic design, marketing or programming. Around 46 service providers were engaged on an exclusive or semi-exclusive basis for Conrad in 2023 (previous year: 14). Fair remuneration and legally compliant working hours are contractually agreed on in accordance with the applicable national legislation and in line with the principles of our Code of Conduct.

In Switzerland, our business apprentices are hired via regional training centres. These hirings are in line with Swiss labour law and Conrad's Code of Conduct. Three such apprentices were employed in 2023.

The structure of our workforce was as follows in the 2023 reporting year:

### Employees by gender in the 2023 calendar year

	Male	Female
<b>Total</b>	<b>1.174</b>	<b>1.089</b>
Austria	37	51
Czech Republic	58	20
France	26	13
Germany	751	791
Hungary	17	10
Italy	18	13
Netherlands	43	23
Poland	32	9
SAR Hong Kong	28	32
Slovakia	63	37
Slovenia	6	6
Sweden	7	6
Switzerland	31	19
United Kingdom	57	59

(headcount as of December 31st 2023)

## Employees by region and employment status in the 2023 calendar year

	AT, CH & DE	CEI (SAR HK)	Rapid (UK)	SOS (SL)	Region East	Region West	Total
<b>Total</b>	<b>1.680</b>	<b>60</b>	<b>116</b>	<b>100</b>	<b>158</b>	<b>149</b>	<b>2.263</b>
Open-ended contracts	1.593	57	113	97	155	123	<b>2.138</b>
Temporary contracts	87	3	3	3	3	26	<b>125</b>
Full-time employees	1.243	57	90	100	144	114	<b>1.759</b>
Part-time employees	437	3	26	0	35	35	<b>504</b>

(headcount as of December 31st 2023)



## New hires and employee turnover

Like many companies, the Conrad Group is challenged to attract and retain talent over time to remain on its growth path. By offering attractive working conditions and nurturing a positive workplace culture, Conrad was able to add 210 (previous year: 294) new employees to its workforce in the reporting year.

The following tables show the age and gender breakdown of the new recruits in the 2023 calendar year:

### New hires by gender

	Male	Female	Total
AT, CH, DE	48	54	<b>102</b>
CEI (SAR HK)	2	0	<b>2</b>
Rapid (UK)	8	8	<b>16</b>
Region EAST	19	8	<b>27</b>
Region West	22	18	<b>40</b>
SOS (SL)	1	2	<b>3</b>

(headcount as of December 31st 2023)

Calculated using the Schlüter formula [turnover rate = departures / (headcount at beginning of period + new hires) \* 100], average turnover per region was as follows in the reporting period.

### Turnover rate (Schlüter formula)

	Male	Female
AT, CH, DE	16.8%	14.2%
CEI (SAR HK)	9.7%	3.0%
Region EAST	10.6%	8.5%
Region West	21.6%	9.9%

The turnover rate for SOS and Rapid could not be calculated, as they are being consolidated within the Conrad Group's Corporate Sustainability Report for the first time. Thus, no conclusive headcount at the beginning of the period is available. The figures will be included in subsequent reports.

### Diversity and fairness

Conrad is firmly committed to promoting diversity and equal opportunities. Through its membership of Bundesverband E-Commerce und Versandhandel (bevh), Conrad is an indirect signatory of the "Charta der Vielfalt" (Diversity Charter) and it has been a regular participant in Day of Diversity events since 2021. In addition, Conrad proactively promotes STEM (science, technology, engineering and mathematics) disciplines with a view to convincing more female talent to take up a career in the technology industry. Through its regular participation in "Girls' and Boys' Day", Conrad also hopes to make it easier to recruit female managers in the future. Strict compliance with our own Code of Conduct and with local labour law eliminates the risks of child labour, forced labour and compulsory labour in all of our establishments.

The gender and age distribution in the Conrad Group was as follows in the reporting period:

### Age distribution of the overall workforce by region in the 2023 calendar year:

		under 30 years	30-50 years	Over 50 years
AT, CH, DE	Male	8.93%	24.46%	15.36%
	Female	7.44%	22.08%	21.73%
CEI (SAR HK)	Male	5.00%	30.00%	11.67%
	Female	1.67%	31.67%	20.00%
Rapid (UK)	Male	8.62%	25.86%	14.66%
	Female	9.48%	18.10%	23.28%
Region East	Male	12.66%	48.73%	10.13%
	Female	2.53%	20.25%	5.70%
Region West	Male	7.38%	42.95%	12.75%
	Female	5.37%	23.49%	8.05%
SOS (SL)	Male	13.00%	36.00%	14.00%
	Female	7.00%	25.00%	5.00%

### Age and gender distribution of Conrad advisory board, board of directors and regional management by region in the 2023 calendar year:

		under 30 years	30-50 years	Over 50 years
AT, CH, DE	Male	-	16.6 %	75.4 %
	Female	-	8 %	-
CEI (SAR HK)	Male	-	-	100 %
	Female	-	-	-
Rapid (UK)	Male	-	100 %	-
	Female	-	-	-
Region East	Male	-	-	75 %
	Female	-	-	25 %
Region West	Male	-	25 %	50 %
	Female	-	-	25 %
SOS (SL)	Male	-	-	100 %
	Female	-	-	-

Conrad Electronic is a significant employer in Upper Palatinate, Bavaria, as well as in neighbouring districts in Upper Franconia, Middle Franconia, Lower Bavaria and Upper Bavaria. An analysis of the share of members of management who were specifically recruited locally shows that over 80 percent with the grade of director or higher have their main place of residence in German postal code areas starting with 8 or 9 (covering territory in the south-east of Germany). We regard this as an overwhelming majority of local leaders. Management roles are also predominantly filled by local employees at all other Conrad locations. It is important for us to promote talent regardless of the region they come from, however. This means that cross-border work and changes of role within the Group are common practice with high rates of remote work.

Another aspect of diversity that Conrad places high value on, is the societal inclusion of handicapped people. To that end, we have been cooperating with Jura Werkstätten Amberg, a workshop for the disabled for over 25 years now. In 2023, on average four handicapped people and their caretaker supported our logistics centre in manual tasks whilst being treated as regular team members as a matter of course. Furthermore, Conrad employed 92 regular employees with known handicaps in 2023. To ensure and supervise their equal treatment, a representative for disabled employees is part of our worker's council.



Welcome support by Jura Werkstätten Amberg in our logistics centre

### Equal payment

Conrad compensates its employees based on performance in line with responsibilities and qualifications. The following comparison of the remuneration (basic salary plus bonuses and/or remuneration in accordance with informal employer/works council agreement) of female versus male employees was calculated on a full-time equivalent basis. In addition, the data was clustered by department/function and only the average salaries of employees with the same grading were compared. The percentage variances at departmental level were then aggregated as a mean value for each location. If there was no direct counterpart of the opposite sex for a particular job, this was considered statistically neutral. At Conrad Electronic SE the gender pay gap amounted to 3.7% in 2023 (previous year: 5.18%). In our logistics centre, a positive pay gap of +2.2% was observed (previous year: 1.53%). We consider these differences as minimal, but nevertheless support a further equalisation.

Due to the small number of employees at most of our locations, it was not possible to calculate a gender pay gap given that jobs at those locations are usually performed by just one person. With a planned full switch to sustainability reporting following the ESRS for the year 2024, a new methodology for calculating an unadjusted gender pay gap will be introduced in the following reports. This will limit long time comparisons, but at the same time enable the first time calculation for all of our locations.

The annual total compensation ratio of the median employee salary to the highest paid employee of the respective companies varies from 1.8 in Sweden to 6.5 in the regions. It was not possible to collect data in Austria, Slovakia, Hong Kong and Germany by the editorial deadline; we expect no major deviations compared to the other regions and intend to include this data in the next reporting period.

### Remuneration policy and collective agreements

In most of the countries where the Conrad group operates, no collective bargaining process is set-up. This means that remuneration is based on customary salaries in the market (benchmark) for comparable positions, taking the individual's background knowledge into consideration. Decisions on performance-based salary adjustments are made by the respective managers in accordance with the regular budget approval process.

France, Italy, Austria and Sweden are exceptions as one hundred percent of Conrad employees in these countries are remunerated in accordance with national collective agreements.

In Germany, around one quarter of employees have contracts stipulating remuneration based on a monthly basic salary and a results-based profit-sharing bonus. The majority of employees are covered by an informal employer/works council agreement. This does not include a profit-sharing bonus but does set out entitlements such as an annual inflation-linked salary increase, anniversary payments (birthday, marriage, etc.) or holiday and Christmas bonuses.

The annual financial statements of the respective companies contain information on personnel expenditure (wages and salaries, social security contributions, pension plan contributions and support). Current expenditure for the board of directors is disclosed in the Notes to the Management Report under "Other information". The current expenditure for the managing directors of Conrad Electronic SE was not disclosed in 2023 pursuant to Section 286 para. 4 of the German Commercial Code (HGB).

Employer/works council agreements at Group company level are concluded for other topics covered by collective bargaining law, for example remote working. If individual employees are not directly covered by the scope of application of the employer/works council agreements because of their function or activity at a particular location, such agreements are nevertheless fully applicable.

**Statutory minimum wage**

The percentage of employees whose pay was below or equal to the applicable local minimum wage was zero at all Group companies in 2023. All employees were compensated with salaries higher than the local minimum wages.

**Parental leave**

Conrad allows all employees to take parental leave in accordance with their legal entitlement and at certain locations also provides the additional option of taking extended parental leave of up to two years. It was not possible to record the number of employees who availed of their legal entitlement to parental leave in the reporting year because there is no legal obligation for employees to report the birth of children to their employer.

In Germany, a total of 35 employees – 17 women and 18 men – made use of their entitlement in the 2023 reporting year (previous year: 92). Meanwhile, 34 employees returned from parental leave in 2023 – 15 of them women and 19 men. This leads to a return rate of roughly 37%. Conrad is happy to report that 41 of the employees who returned from parental leave (19 women, 22 men) in 2022 are still employed with the company twelve months after the end of their parental leave. Thus, the remainee rate was 94 percent.

Since statutory parental leave entitlements vary greatly from one country to another, the differences from one country to another are not described in this report. The following statistics have been recorded for parents taking and returning from parental leave:



## International parental leave statistics by country

	Employees taking parental leave		Employees returning from parental leave		Employees returning in 2022, still working at the company 12 months later	
	Male	Female	Male	Female	Male	Female
AT	0	10	0	3	0 (100%)	1 (50%)
CH	0	2	0	1	0 (100%)	2 (100%)
CZ	0	1	0	0	0 (100%)	0 (100%)
FR	0	1	0	0	0 (100%)	0 (100%)
HU	0	0	0	0	1 (100%)	0 (100%)
IT	1	0	0	0	0 (100%)	0 (100%)
NL	5	2	5	2	4 (100%)	0 (100%)
PL	0	1	0	0	0 (100%)	0 (100%)
SAR HK	0	1	0	1	0 (100%)	0 (100%)
SE	4	3	4	3	3 (100%)	3 (100%)
SI	0	0	0	0	0 (100%)	0 (100%)
SL	1	0	1	0	n.a.	n.a.
UK	1	1	1	1	3 (n.a.)	3 (n.a.)

**Employee pension scheme and other benefits**

The Conrad Group fully complies with all of its legal obligations to pay social security contributions for its employees and offers many additional occupational benefits. In general, no distinctions are made between full-time, part-time and temporary employees – with the exception of Slovenia and Hong Kong, where full social benefits, e.g. preventive healthcare and parental leave are only offered for full-time employees. In all other companies, all employees are provided with healthcare, parental leave and a pension scheme in accordance with the local legal entitlements. More extensive benefits, such as voluntary preventive occupational healthcare measures or financial and non-financial benefits, such as employee discounts, a company canteen or sports programmes, are available to all employees at some locations. Disability insurance and equity interests are not offered in general. Life assurance is only offered in Slovakia.

In Germany, Conrad offers a company pension scheme in cooperation with a well-known insurance provider and pays the corresponding employer contributions. The employees can decide whether to take up this offer and choose the level of the contributions. The total expenditure on social security contributions for pension schemes and support for Conrad Electronic SE employees is disclosed in the profit and loss account of the 2023 annual financial statements.



## Training and education

The Conrad Group recognises that the competence of its employees is a key factor in determining the company's future viability and business success. That is why it invests heavily in employee training. This begins with numerous entry-level positions for young talent – including introductory training, regular apprenticeship offers, combined study and work programmes, work placements, supervised theses, working student positions and career gateway traineeships. We also provide ongoing promotion and development opportunities to all employees. It is unfortunately not currently possible to report the hours of training and further education completed per employee, but we aim to be able to analyse this metric in the 2024 reporting year.

Conrad uses a transparent model for the development of its employees. This is based on a learning-on-the-job component comprising roughly 70 percent. A further 20 percent of an employee's personal development is to be achieved through coaching, a culture of embracing feedback, and learning from colleagues. The remaining 10 percent for the optimum development of individual skills is intended to be covered by training, workshops, literature and videos. Employees can choose from a number of options to complete the systemic or institutional learning that makes up ten percent of the overall training. All employees can for example access Conrad's own online training portal "Conrad Academy" to complete certain compulsory further training modules. With their manager's approval, they can also choose from other personal and professional development options, including access to the Udemy learning platform, Google Cloud certification, language courses, and third party seminars and courses that are individually tailored to their requirements. For promising talents of all ages, Conrad offers an internal mentoring programme which aims to promote and support the individual career paths of participants through personal exchange of experiences and peer learning. Standardised programmes for transitional assistance or maintaining employability are not offered. A prioritised internal jobs market with a focus on advice gives our employees flexible professional development opportunities.



Within the format "Be a part of Conrad" our trainees interview colleagues from different departments and shed some light on their tasks and achievements.



### Internal communication

Conrad attaches great importance to having a satisfied and well-informed workforce. That is why we offer a range of formats to facilitate dialogue between employees and corporate management. Changes within the company are communicated to the works council in a comprehensive and timely manner in compliance with the consultation- and negotiation-related provisions.

Our most important means of group wide communication throughout levels of hierarchy is our intranet Conet. It was introduced in 2023 as a replacement for a different intranet solution and its introduction was accompanied with many training sessions open to all employees. As a result the number of employees, who feel well or very well informed went up to 66 percent and the number of employees, who feel top-down communication improved as a result of the new intranet, stands at an impressive 78 percent one year later.

In addition to this, corporate management holds quarterly “townhall meetings” to inform all employees about important developments and give them the opportunity to ask questions anonymously. Other opportunities, such as regular CEO lunches, walk-and-talk events and team-building exercises also help to promote informal dialogue.

As a networking platform for the group’s extended management circle and an opportunity to talk strategy and prepare for the specific challenges of the coming year, Conrad holds an annual summit at the beginning of each year. In 2023 the Conrad summit was held close to Munich and had around 80 participants from all of our 17 countries of operation.

In order to give every employee the best chance to progress their career, Conrad employees are able to sit down with their line manager to discuss their development. The uptake of this option varies between one percent and 100 percent of employees depending on the country. No formal performance assessments are carried out; any profit-sharing bonuses are based on the overall economic performance of the Group.

As a result of these culture and trust building measures, Conrad experiences very high levels of employee satisfaction and trust in our corporate governance. In 2023, this led to the successful certification as a Great Place to Work from the independent GPTW Institute. We are very proud of this achievement and aim to continue with the certification in the future by implementing the identified measures for improvement and building on existing strengths.

## Occupational health and safety

Ensuring occupational health and safety is a material concern for the Conrad Group both in its own establishments and in its supply chain, as far as this is possible. We ensure compliance with local occupational health and safety regulations at our own establishments and fulfil our due diligence duties with our business partners. In general, there is a low risk of injuries or workplace accidents occurring at our local subsidiaries outside of Germany, the UK or Slovakia because these establishments only carry out office activities. The focus of our occupational safety management is therefore on our locations in these countries.

### Occupational safety management

As an employer, Conrad fulfils its primary obligation to carry out regular risk assessments for all of its workplaces. Once risks have been recognised and evaluated, Conrad defines appropriate protective measures and checks that they are implemented. In Germany alone, over thirty operating instructions have been issued in the German and Czech languages to inform employees in brief and written form about the risks and protective measures that are relevant to their workplace.

All operating instructions are the results of the risk assessment in a clearly structured manner. It is their purpose to minimise any accidents resulting from working with materials/equipment or substances. All employees, including those from external companies, are obliged to comply with the operating instructions issued by the Conrad Group to avoid putting themselves or others at risk. Conrad also has a continuous improvement process in place. The effectiveness of this process is reviewed and documented on a regular basis. In most of our locations this process is overseen by external service providers with long standing expertise.

Currently, no third-party audit or certification is being carried out for the entire Conrad Group. However, Rapid Electronics, which is located in the UK is audited under ISO 45001:2018. In all other locations regular inspections are carried out on site by the trade supervisory authorities and statutory accident insurance providers to check compliance with all the legal requirements.

### Responsibilities and training

Responsibilities for health and safety are clear within the Conrad group. In Germany, an Expert for Security and Loss Prevention coordinates all tasks at hand with our external occupational safety officer. Additionally, 22 safety officers and first aid responders are appointed and trained regularly. In our international offices, we either have local first aid responders and safety officers, or if no explicit personnel is appointed, the responsibility for adherence to safety regulations lies with the local management.

In Germany and the UK, Conrad additionally has formal committees enabling employee participation in health and safety processes. The ASA (DE) and QHSE Committee (UK) meet quarterly and discuss – amongst other things – workplace accidents or near misses, which occurred despite preventive measures and determines additional measures with a view to preventing future accidents.

In 2023, training sessions regarding topics like first aid, emergency procedures, hazardous materials and safe handling of industrial trucks were conducted in Germany. No matter the location, we organise safety training sessions for our employees at minimum to the extent required by law.

### Occupational healthcare

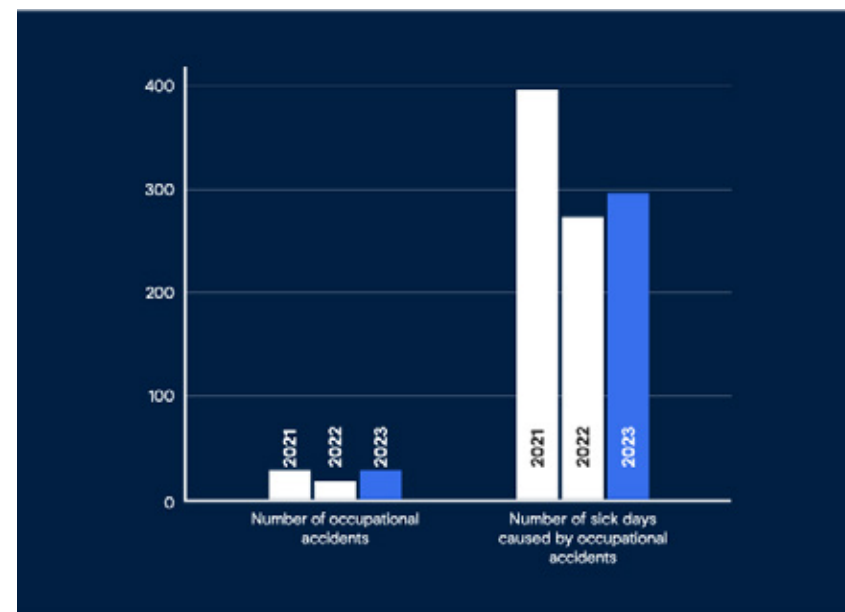
We provide occupational healthcare measures for our employees in accordance with local regulations and beyond that. This includes fitness checks, where the results are shared with Conrad to ensure employees can perform their duties safely. Meanwhile, preventive measures, like flu-jabs or health screenings aim at providing advisory support to our employees and the findings of those are only provided to the employees for data and privacy protection reasons. During the 2023 reporting year, no work-related illnesses resulting in death occurred at Conrad Electronic's sites.

Based on the workplace-specific risk assessments, Conrad provides its employees with suitable personal protective equipment (PPE). Gloves, ear protection, safety boots and safety equipment for preventing falls and rescuing employees at a height are mandatory for certain activities or workplaces. Employees are for example obliged to use hand guards when handling safety knives, cardboard boxes or objects with sharp edges. The PPE requirements are an integral component of Conrad's occupational health and safety management system. Defective PPE must be replaced. Ongoing workplace inspections are carried out at the Wernberg logistics centre with a view to making continuous ergonomic improvements.

Conrad promotes the health and well-being of its employees in a number of ways. These include a company sports club, numerous local campaigns to promote a healthy lifestyle (e.g. steps challenges, company-organised runs, seminars to help employees quit smoking), opportunities to get the flu jab and the option to lease a bike via the "JobRad" program. In addition, Conrad actively supports its employees when it comes to their work-life balance, for example by providing a company day-care centre in Hirschau, offering flexitime models, and allowing remote working on a wide scale.

### Occupational accidents

Conrad recorded a total of 30 occupational accidents in the 2023 reporting year (previous year: 19). Of this number, 24 accrued in Germany, three in the UK, one in Austria and one in the Netherlands. The main causes of the accidents were incidents involving warehouse activities, traffic routes within the logistics centre, commuting accidents and industrial trucks. There were no deaths involved. The number of accident-related days off work increased by 6.5% percent in 2023 to 294 days (previous year: 276 days). Investigations to uncover any work-related risks are carried out at all workplaces as part of the annual safety inspections. This ensures that risks are minimised to the greatest possible extent. Conrad aims to reduce work-related accidents to the smallest possible number by maintaining this continuous inspection and formulating appropriate safety measures.



07

# Contribution to society



## Contribution to society



The Conrad Group believes that business success is inextricably linked to good corporate citizenship. Anchored in our company values, our sense of corporate social responsibility is firmly embedded throughout our entire organisation. We step up to this responsibility through sound corporate governance, fair working conditions for our employees, and due diligence across our supply chains. Through our investments, payment of trade taxes and creation of jobs, we contribute to the prosperity and positive regional development of the communities we live and work in around the world. We are also aware that our product portfolio acts as a lever in driving progress around key challenges facing society today. These include the need to power digitalisation and automation and to protect the climate by increasing the share of renewable energy sources and energy efficiency. We therefore carefully curate our range of products with a firm focus on quality and the safety of our customers. In addition, we aim to make a proactive and positive contribution to civil society through sponsoring and donations to selected community projects, thus supporting numerous charitable causes. We select our community engagement projects based on three key criteria:

## Regional engagement

We believe that we can make the biggest impact in the places where we and our employees live and work. This means that we tend to favour projects which we can help to implement ourselves and where we can offer the greatest possible practical support.

One example is “Conrad Sportförderung”, which was founded back in 1985 to promote the participation in sports in the areas of Amberg-Sulzbach and Wernberg-Köblitz. Committed employees have also set up other initiatives all around Europe supported by the Conrad Group. In 2023, the good work was continued with initiatives like “Tekkies zeigen Herz”, where employees fulfilled the Christmas wishes of kids and youngsters in local children’s homes, or financial donations by management to causes like “Kinderpalliativteam Ostbayern”, which supports children receiving palliative care. Further, Conrad regularly supports local causes, like fire brigades, local red cross chapters and handicapped aid. We also donated EUR 16,000 for regional disaster relief in Slovenia, where massive floods caused large scale destruction.



## Support for education

We are big fans of technology and want to pass this enthusiasm on to the next generation. That is why the Conrad Group supports better-quality STEM teaching and greater use of digitalisation in education. We support this through Conrad Education, which brings know-how and partnership-based advice to actively shape teaching structures, through financial support for associations like “Verband zur Förderung des MINT-Unterrichts” (Association for the promotion of STEM teaching), which promotes the teaching of STEM subjects, as well as through participation in events like “Girls’ & Boys’ Days” or the “BMW MakerDay”, which uses fun activities to get school kids interested in a skilled technical profession.

For several years, we have also been supporting university project teams to develop their pioneering ideas and inspire others with the innovative results of their exciting experiments. Examples from the reporting year include the Hyperloop and Eco-Runner teams from Delft University of Technology (the Netherlands), the Electric Superbike team from the University of Twente (the Netherlands), the UniBo Motorsport team from the University of Bologna (Italy) and seventeen Formula Student teams from several universities in Germany.



## Guided by values

The Conrad Group stands for democracy, open-mindedness, social justice and ethical practices. To this end, we support through our membership the UN Global Compact as well as two German associations for protection against unfair competition – “Zentrale zur Bekämpfung unlauteren Wettbewerbs” (Centre for Combating Unfair Competition) and “Verein gegen Unwesen in Handel und Gewerbe Köln e.V.” (Cologne Association against Unwanted Trade and Commerce). We also support people in need and disaster relief on an ad-hoc basis.

Independently from the engagement of the Conrad Group, the Conrad family, which owns the company, has been providing humanitarian assistance to crisis zones around the world for twenty years through the Klaus und- Gertrud-Conrad-Stiftung foundation. In 2023, the foundation supported organisations like Deutsche Welthungerhilfe (i.e. German World Hunger Relief), Ärzte ohne Grenzen (i.e. Médecins Sans Frontières), Unicef e.V. and Save the Children with funds of roughly 18 million EUR.





## Association memberships

In pursuit of the three principles outlined above – regional roots, support for education, and guided by values – the Conrad Group is an active member of the following trade associations and representative bodies:

- AHK – Camera di commercio Italo-Germanica
- A.I.MAN. – Associazione Italiana Manutenzione
- Amberger Freunde der Ostbayerischen Hochschule Amberg-Weiden e.V.
- ANDEC – Associazione Nazionale Importatori e Produttori di Elettronica Civile
- BDEF – Bundesverband Deutscher Eisenbahnfreunde e.V.
- bevh – Bundesverband eCommerce und Versandhandel Deutschland e.V.
- Bund der Steuerzahler e.V.
- Camera di Commercio
- Chamber of craft and small business of Slovenia
- COGD e.V. – Component Obsolescence Group Deutschland
- DARC – Deutsche Amateur Radio-Club e.V.
- Dansk Erhverv
- Deutsch-Dänische Handelskammer
- Distance Traders Association Hungary
- DGFP – Die Deutsche Gesellschaft für Personalführung e.V.
- DGTB – Deutsche Gesellschaft für Technische Bildung e.V.
- Drivers and Business Club Munich
- DSAG – Deutschsprachige SAP Anwendergruppe e.V.
- EK ServiceGroup eG • FBDi – Fachverband Bauelemente Distribution e.V.
- FEVAD – Fédération du e-commerce et de la vente à distance
- Förderverein der OTH-Weiden e.V.
- German Chamber of Commerce Hong Kong
- GSI Hong Kong
- Handelsverband Swiss
- Hungarian Chamber of Trade and Industry
- IDO – Interessenverband für Rechts- und Finanzconsulting deutscher Online-Unternehmen e.V.
- IHK München und Oberbayern GmbH
- MHI – Wissenschaftliche Gesellschaft für Montage, Handhabung und Industrierobotik e.V.
- MNU – Verband zur Förderung des MINT-Unterrichts e.V.
- MOBA – Modellbahnverband in Deutschland e.V.
- NIM – Nürnberg Institut für Marktentscheidungen e.V.
- Obst und Gartenbauverein Hirschau e.V.
- SP2 – Business Club based in France
- SVDF – Schweizerischer Verband der Direktverkaufsfirmen
- Svensk Handel
- Svensk Näringsliv
- Trusted Shops AG • UN Global Compact
- UPECAD – L'Union Professionnelle des Entreprises du Commerce à Distance
- VFAALE e.V. – Verein für Angewandte Automatisierungstechnik in Lehre und Entwicklung in Hochschulen
- VEA – Bundesverband der Energie-Abnehmer e.V.
- Verein für deutsche Schäferhunde e.V.
- Verein gegen Unwesen in Handel und Gewerbe Köln e.V.
- Warenzeichenverband Edelstahl Rostfrei e.V.
- Wirtschaftsclub Nordoberpfalz
- Zentrale zur Bekämpfung unlauteren Wettbewerbs e.V.

No political donations were made in 2023 as the Conrad Group regards itself as a politically neutral company.

## Application of the GRI Universal Standards 2021

This report was drawn up in accordance with the GRI Universal Standards 2021. The editorial deadline was June 30th 2024. The United Nations Sustainable Development Goals (SDGs) were used as an additional reference. Any disclosures on how the companies of the Conrad Group consolidated in this report contributed to these global sustainable development goals are made in line with the “Business Reporting on the SDGs” guide. This also applies to the ten principles of the United Nations Global Compact, which Conrad Electronic SE signed up to in August 2022. The table of contents indicates where we have reported on our progress in the areas of human rights, labour standards, environmental protection and anti-corruption. Since this document is the first sustainability report of Conrad Electronic SE which consolidates all group companies, only limited comparison with the material topics of the 2022 sustainability report of Conrad Electronic SE is possible. In future, we plan to publish a sustainability report on an annual basis.

For any questions about this sustainability report, please contact Lena Stöckl ([nachhaltigkeit@conrad.de](mailto:nachhaltigkeit@conrad.de)).

## External audit

An external audit was not commissioned for this report. Reference is only made to the economic indicators that were published before the sustainability report’s editorial deadline. Environmental indicators (GRI 301-2 to GRI 306-5) of Conrad Electronic SE were verified and validated by an accredited independent expert in accordance with EMAS (Eco-Management and Audit Scheme).

## Legal notice

This report was published on July 30th 2024. German and English versions of the report are available. The report contains forward-looking statements based on assumptions and estimates made by the corporate management of Conrad Electronic SE and the managers of the consolidated companies. Even though we assume that the expectations underlying these forward-looking statements are realistic, we cannot guarantee that the expectations will prove to be correct. The assumptions may be subject to risks and uncertainties which could lead to a situation where the actual results differ materially from the forward-looking statements. The factors that could cause such deviations include changes in general economic and business conditions, changes in exchange rates and interest rates, lack of acceptance of new products or services, and changes in business strategy. Conrad Electronic SE and/or the managers of the consolidated Group companies does not/do not plan to update the forward-looking statements, nor is any obligation to do so assumed by Conrad Electronic SE and/or the consolidated companies.

## A

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### **amfori Business Social Compliance Initiatives (BSCI)**

Programme of the business-related association amfori to improve social standards in a global value chain. The Brussels-based organisation offers business enterprises the adoption of or adherence to a code of conduct as well as a systematic monitoring and qualification system.

### **ArbSchG: Safety and Health at Work Act**

The German Safety and Health at Work Act sets out provisions, covering all sectors of activity, on the employer's basic occupational health and safety obligations, the obligations and rights of employees, and the supervision of occupational health and safety in accordance with this Act.

### **AsiG: Occupational Safety Act**

The German Occupational Safety Act sets out provisions for the use of occupational physicians, safety engineers and other occupational safety specialists in establishments.

### **AÜG: Act on Temporary Agency Work**

The German Act on Temporary Agency Work sets out provisions for the temporary hiring out of employees by their employer (hiring-out firm) to perform work for a third party (hirer).

## B

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### **Battery Act (BattG)**

The German Battery Act transposes the EU Battery Directive 2006/66/EC into German law. It sets out provisions for the placing on the market, collection and environmentally friendly disposal of batteries and accumulators.

### **Blue Angel (Blauer Engel)**

The Blue Angel is a "Type I" environmental label based on the international standard DIN EN ISO 14024 "Environmental labels and declarations – Type I environmental labelling – Principles and

procedures (ISO 14024:2018)". It is an independent label that certifies the better products in a product group based on a comprehensive range of criteria and thus differs from those product labels that only pay attention to one criterion or which are issued by the manufacturers themselves; for more information, visit [www.blauer-engel.de/en](http://www.blauer-engel.de/en).

### **Bundesverband E-Commerce und Versandhandel (bevh) e.V.**

This industry association of German e-commerce and mail order businesses represents the interests of its members vis-à-vis the legislator and political and business institutions.

### **B2B**

B2B stands for "Business-to-Business" and refers to the commercial relationship between businesses.

## C

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### **CE marking**

The letters CE stand for "Conformité Européenne" (European conformity). The CE mark indicates that the product conforms to the European Union's requirements placed on the manufacturer.

### **Conrad Marketplace**

The Conrad Marketplace is an integral component of the Conrad Sourcing Platform comprising more than seven million products. Conrad Marketplace transactions are governed by contracts entered into by buyers and sellers. Conrad simply provides the sourcing platform as a means to fulfil the contractual obligation; it is a mere mediator, and not one of the contractual parties.

### **Conrad whistleblower system**

A confidential and secure communication channel provided by Conrad Electronic SE to report any grievances, irregularities or breaches of Conrad's Code of Conduct.

## **Corporate Sustainability Reporting Directive (CSRD)**

EU law requires all large companies and all listed companies to publish regular reports on the social and environmental risks they face, and on the impact of their activities on people and the environment (reporting obligation).

## **CO<sub>2</sub>e- emissions**

CO<sub>2</sub> equivalent (CO<sub>2</sub>e) is a unit of measurement that is used to standardise the climate effects of various greenhouse gases. In addition to the main greenhouse gas emitted as a result of human activity, carbon dioxide (CO<sub>2</sub>), there are other greenhouse gases such as methane and nitrous oxide.

## **E**

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### **“ECO” labelling**

This is how Conrad marks products that outperform other products in the same material class in terms of environmental benefits.

### **ElektroG: Electrical and Electronic Equipment Act**

Germany’s Electrical and Electronic Equipment Act sets out provisions for the placing on the market, collection and environmentally friendly disposal of electrical and electronic equipment. It transposes the EU’s WEEE Directive 2012/19/EU into German law and was most recently amended in 2022 (ElektroG3).

### **E-procurement**

The purchase of goods and services through the internet or other information and communication systems.

## **ESG**

ESG stands for environmental, social and governance and it provides an extensive set of criteria to capture the sustainable and ethical behaviour of an enterprise. ESG is sometimes used interchangeably with sustainability in economic contexts.

## **European Sustainability Reporting Standards (ESRS)**

In July 2023, the European Commission adopted the European Sustainability Reporting Standards (ESRS), which must be applied by all companies subject to the Corporate Sustainability Reporting Directive (CSRD). The standards cover the whole spectrum of environmental, social and governance topics, including climate change, biodiversity and human rights. They contain information that helps readers understand the sustainability impacts of companies.

## **EU Ecodesign Directive**

The objective of the Ecodesign Directive is to reduce the environmental impacts of energy-related products across their entire life cycle. To this end, it sets out minimum requirements for product design. The Energy-related Products Act (EVPG) transposes the Directive into German law.

## **EU Ecolabel**

The EU Ecolabel was introduced by the European Commission in 1992. It is awarded to products and services that have a lower environmental impact compared to similar products.

## **G**

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## **Global Reporting Initiative (GRI)**

The Global Reporting Initiative is an independent international organisation that provides businesses and other organisations with standards and support products to guide sustainability reporting. This report was drawn up in accordance with the current GRI standards.

## Grading

Job grading involves a systematic evaluation of the roles and functions in a business across all divisions and hierarchy levels so that they can be ordered systematically, analysed and generally contextualised.

## Greenhouse Gas Protocol (GHGP)

The Greenhouse Gas Protocol sets out accounting and reporting standards, sectoral guidelines, calculation tools and training measures to allow companies and local and national authorities to account for the emissions that contribute to global warming in a standardised manner.

## L

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### LkSG: Supply Chain Due Diligence Act

The German Supply Chain Due Diligence Act (LkSG) was passed by the German Parliament on 11 June 2021. The Act seeks to improve the international human rights situation by setting out requirements for responsible management of supply chains. The due diligence obligations are graded depending on the power of influence of the companies or branch offices. From 1 January 2024, businesses with at least 1,000 employees in Germany will be subject to the Act, i.e. including Conrad Electronic SE.

## P

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### Personal protective equipment (PPE)

Personal protective equipment (PPE) describes the special equipment (e.g. clothing, devices or other items for self-protection) which workers are required to use by law when carrying out an activity that may put their health at risk.

### Plastic-free

No plastic is used in the packaging of Conrad's own-brand products.

## Private Label range

The name used to describe products sold under the Conrad brand (own-brand products).

## R

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### REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals)

The REACH Regulation applies to all industrial chemicals. It is based on the precautionary principle: All manufacturers, importers and downstream users have to ensure that the substances that they manufacture, place on the market and use do not adversely affect human health or the environment. Manufacturers and importers are obliged to register their chemicals before placing them on the market. They must provide a wide range of information for this purpose.

### RoHS (Restriction of Hazardous Substances in Electrical and Electronic Equipment)

The RoHS Directive is an EU law that restricts the use of certain hazardous substances in electrical and electronic equipment. In parallel to this, the WEEE Directive encourages the collection and recycling of such equipment. The RoHS Directive currently restricts the use of ten substances: lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls (PBB) and polybrominated diphenyl ethers (PBDE), bis(2-ethylhexyl) phthalate (DEHP), butyl benzyl phthalate (BBP), dibutyl phthalate (DBP) and diisobutyl phthalate (DIBP).

## S

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### Seller

Term used to describe anyone who has been approved to sell their products on the Conrad Marketplace.

## **Sourcing Platform**

Term encompassing all products and all means of procurement from Conrad Electronic.

## **Stiftung Elektro-Altgeräte Register (EAR)**

The German national register for waste electrical equipment foundation (Stiftung EAR) is the “clearing house for manufacturers” as defined by the Electrical and Electronic Equipment Act (ElektroG). The German Environment Agency has entrusted it with tasks of public authority under the Electrical and Electronic Equipment Act. The EAR Foundation performs tasks provided for in both the Electrical and Electronic Equipment Act and the Battery Act.

## **T**

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## **TCO Certified**

TCO Certified is the world-leading sustainability certification for IT products. The TCO seal is awarded by the Swedish Confederation of Professional Employees (Tjänstemännens Centralorganisation – TCO). The objective of this NGO is to award the TCO Certified label to sustainable IT products used in offices. The comprehensive set of criteria used promote social and environmental responsibility throughout the product life cycle. The certification covers twelve product categories, including computers, mobile devices, displays, imaging equipment and data centre products. Compliance with the criteria is independently verified, both pre- and post-certification; for more information, visit [www.tcocertified.com](http://www.tcocertified.com).

## **U**

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## **UN Global Compact**

The United Nations Global Compact is a non-binding United Nations pact to get businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is the world’s largest corporate sustainability and corporate social responsibility initiative, with 13,000 corporate participants and other stakeholders across 170 countries.

## Proof of application

Conrad Electronic SE has submitted a report for the period from 1 January to 31 December 2023 in accordance with GRI standards.

## Applicable GRI Sector Standard(s)

At the time of publication of this report, there was no applicable GRI Sector Standard in place.

## Application of GRI 1

GRI 1: Foundation 2021

Labor/management relations	UNGC	Page	Omissions incl. reason and explanation
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## GRI 2: General Disclosures 2021

### GRI 2, Section 1: The organization and its reporting practices

GRI 2-1	Organizational details	n.a.	15
GRI 2-2	Entities included in the organization's sustainability reporting	n.a.	15
GRI 2-3	Reporting period, frequency and contact point	n.a.	15, 58
GRI 2-4	Restatements of information	n.a.	58
GRI 2-5	External assurance	n.a.	58

### GRI 2, Section 2: Activities and workers

GRI 2-6	Activities, value chain and other business relationships	n.a.	4
GRI 2-7	Employees	UNGC 3, 6	41
GRI 2-8	Workers who are not employees	UNGC 3, 6	41

### GRI 2, Section 3: Governance

GRI 2-9	Governance structure and composition	UNGC 6	16
GRI 2-10	Nomination and selection of the highest governance body	UNGC 6	16

Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
GRI 2-11	Chair of the highest governance body	UNGC 6, 10	16	
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	UNGC 6, 10	16	
GRI 2-13	Delegation of responsibility for managing impacts	n.a.	12	
GRI 2-14	Role of the highest governance body in sustainability reporting	n.a.	15	
GRI 2-15	Conflicts of interest	UNGC 6, 10	16	
GRI 2-16	Communication of critical concerns	n.a.	16	
GRI 2-17	Collective knowledge of the highest governance body	n.a.	16	
GRI 2-18	Evaluation of the performance of the highest governance body	n.a.	16	
GRI 2-19	Remuneration policies	n.a.	45	
GRI 2-20	Process to determine remuneration	UNGC 6, 10	45	
GRI 2-21	Annual total compensation ratio	n.a.	45	
<b>GRI 2, Section 4: Strategy, policies and practices</b>				
GRI 2-22	Statement on sustainable development strategy	n.a.	3	
GRI 2-23	Policy commitments	UNGC 1, 2, 3, 4, 5, 6, 10	9 ff.	
GRI 2-24	Embedding policy commitments	UNGC 1, 2, 3, 4, 5, 6, 10	12, 14	
GRI 2-25	Processes to remediate negative impacts	UNGC 1, 2, 3, 4, 5, 6, 10	14	
GRI 2-26	Mechanisms for seeking advice and raising concerns	UNGC 1, 2, 3, 4, 5, 6, 10	20	



Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
GRI 2-27	Compliance with laws and regulations	n.a.	19	
GRI 2-28	Membership associations	n.a.	57	
<b>GRI 2, Section 5: Stakeholder engagement</b>				
GRI 2-29	Approach to stakeholder engagement	n.a.	17	
GRI 2-30	Collective bargaining agreements	UNGC 3	45	
<b>Material Topics</b>				
<b>GRI 3, Section 2: Material Topics 2021</b>				
GRI 3-1	Process to determine material topics	n.a.	10	
GRI 3-2	List of material topics	n.a.	10 f.	
<b>Economic performance</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 201: Economic Performance 2016</b>				
GRI 201-1	Direct economic value generated and distributed	UNGC 9	4	
GRI 201-2	Financial implications and other risks and opportunities due to climate change	UNGC 7, 8, 9	10	

Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
GRI 201-3	Defined benefit plan obligations and other retirement plans	n.a.	48	
GRI 201-4	Financial assistance received from government	n.a.	18	

## Market presence

### GRI 3, Material Topics 2021

GRI 3-3	Management of material topics	n.a.		
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### GRI 202: Market Presence 2016

GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	UNGC 3, 4, 5, 6	45	
GRI 202-2	Proportion of senior management hired from the local community	n.a.	44	

## Indirect economic impacts

### GRI 3, Material Topics 2021

GRI 3-3	Management of material topics	n.a.		
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### GRI 203: Indirect Economic Impacts 2016

GRI 203-1	Infrastructure investments and services supported	UNGC 9	18	
GRI 203-2	Significant indirect economic impacts	UNGC 9	17 f.	

Labor/management relations	UNGC	Page	Omissions incl. reason and explanation
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## Procurement practices

### GRI 3, Material Topics 2021

GRI 3-3	Management of material topics	n.a.	
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### GRI 204: Procurement Practices 2016

GRI 204-1	Proportion of spending on local suppliers	UNGC 3, 4, 5, 6, 10	23
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## Anti-corruption

### GRI 3, Material Topics 2021

GRI 3-3	Management of material topics	n.a.	
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### GRI 205: Anti-corruption 2016

GRI 205-1	Operations assessed for risks related to corruption	UNGC 10	19 f.
GRI 205-2	Communication and training about anti-corruption policies and procedures	UNGC 10	19 f.
GRI 205-3	Confirmed incidents of corruption and actions taken	UNGC 10	19 f.

## Anti-competitive behaviour

### GRI 3, Material Topics 2021

GRI 3-3	Management of material topics	n.a.	
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Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
<b>GRI 206: Anti-competitive Behavior 2016</b>				
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	UNGC 10	19 f.	
<b>Tax</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 207: Tax 2019</b>				
GRI 207-1	Approach to tax	UNGC 10	17	
GRI 207-2	Tax governance, control, and risk management	n.a.	17	
GRI 207-3	Stakeholder engagement and management of concerns related to tax	n.a.	17	
GRI 207-4	Country-by-country reporting	UNGC 10	17 f.	Information not available.
<b>Materials</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 301: Materials 2016</b>				
GRI 301-1	Materials used by weight or volume	UNGC 7, 8, 9	35 f.	

Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
GRI 301-2	Recycled input materials used	UNGC 7, 8, 9	35 f.	
GRI 301-3	Reclaimed products and their packaging materials	UNGC 7, 8, 9	35 ff.	
<b>Energy</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 302: Energy 2016</b>				
GRI 302-1	Energy consumption within the organization	UNGC 7, 8, 9	25 ff.	
GRI 302-2	Energy consumption outside of the organization	n.a.		
GRI 302-3	Energy intensity	UNGC 7, 8, 9	26	
GRI 302-4	Reduction of energy consumption	UNGC 7, 8, 9	26	
GRI 302-5	Reductions in energy requirements of products and services	n.a.		
<b>Water and effluents</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		

Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
<b>GRI 303: Water and Effluents 2018</b>				
GRI 303-1	Interactions with water as a shared resource	UNGC 7, 8, 9	30	
GRI 303-2	Management of water discharge-related impacts	UNGC 7, 8, 9	30	
GRI 303-3	Water withdrawal	UNGC 7, 8, 9	30	
GRI 303-4	Water discharge	UNGC 7, 8, 9	30	
GRI 303-5	Water consumption	UNGC 7, 8, 9	30	
<b>Biodiversity</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 304: Biodiversity 2016</b>				
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	UNGC 7, 8, 9	30	
GRI 304-2	Significant impacts of activities, products and services on biodiversity	UNGC 7, 8, 9	30	
GRI 304-3	Habitats protected or restored	UNGC 7, 8, 9		Not applicable. Activities at the Hirschau and Wernberg sites have no significant negative impacts on biodiversity.

Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	UNGC 7, 8, 9		Not applicable. Activities at the Hirschau and Wernberg sites have no significant negative impacts on biodiversity.

## Emissions

### GRI 3, Material Topics 2021

GRI 3-3	Management of material topics	n.a.		
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### GRI 305: Emissions 2016

GRI 305-1	Direct (Scope 1) GHG emissions	UNGC 7, 8, 9	27	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	n.a.	28	
GRI 305-3	Other indirect (Scope 3) GHG emissions	UNGC 7, 8, 9	29	
GRI 305-4	GHG emissions intensity	UNGC 7, 8, 9	29	
GRI 305-5	Reduction of GHG emissions	UNGC 7, 8, 9	30	
GRI 305-6	Emissions of ozone-depleting substances (ODS)	UNGC 7, 8, 9	27	Not applicable.
GRI 305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	UNGC 7, 8, 9	27	Not applicable.

Labor/management relations	UNGC	Page	Omissions incl. reason and explanation
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## Waste

### GRI 3, Material Topics 2021

GRI 3-3	Management of material topics	n.a.	
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### GRI 306: Waste 2020

GRI 306-1	Waste generation and significant waste-related impacts	UNGC 7, 8, 9	37 ff.
GRI 306-2	Management of significant waste-related impacts	UNGC 7, 8, 9	37 ff.
GRI 306-3	Waste generated	UNGC 7, 8, 9	37 ff.
GRI 306-4	Waste diverted from disposal	UNGC 7, 8, 9	37 ff.
GRI 306-5	Waste directed to disposal	n.a.	37 ff.

## Supplier environmental assessment

### GRI 3, Material Topics 2021

GRI 3-3	Management of material topics	n.a.	
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### GRI 308: Supplier Environmental Assessment 2016

GRI 308-1	New suppliers that were screened using environmental criteria	n.a.	22
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	n.a.	22



Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
<b>Employment</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 401: Employment 2016</b>				
GRI 401-1	New employee hires and employee turnover	UNGC 3, 4, 5, 6	42	
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	n.a.	48	Not applicable. All benefits are granted regardless of contract length or working hours.
GRI 401-3	Parental leave	n.a.	46 f.	
<b>Labor/management relations</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 402: Labor/Management Relations 2016</b>				
GRI 402-1	Minimum notice periods regarding operational changes	n.a.	50	
<b>Occupational Health and Safety</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		

Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
<b>GRI 403: Occupational Health and Safety 2018</b>				
GRI 403-1	Occupational health and safety management system	n.a.	51	
GRI 403-2	Hazard identification, risk assessment, and incident investigation	n.a.	51	
GRI 403-3	Occupational health services	n.a.	52	
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	n.a.	51	
GRI 403-5	Worker training on occupational health and safety	n.a.	51	
GRI 403-6	Promotion of worker health	n.a.	52	
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	n.a.		not applicable.
GRI 403-8	Workers covered by an occupational health and safety management system	n.a.	51 f.	
GRI 403-9	Work-related injuries	n.a.	52 f.	
GRI 403-10	Work-related ill health	n.a.	52 f.	

## Training and Education

### GRI 3, Material Topics 2021

GRI 3-3	Management of material topics	n.a.		
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### GRI 404: Training and Education 2016

GRI 404-1	Average hours of training per year per employee	n.a.	49	
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	n.a.	49	

Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	n.a.	50	
<b>Diversity and Equal Opportunity</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 405: Diversity and Equal Opportunity 2016</b>				
GRI 405-1	Diversity of governance bodies and employees	n.a.	43	
GRI 405-2	Ratio of basic salary and remuneration of women to men	n.a.	45	
<b>Non-discrimination</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 406: Non-discrimination 2016</b>				
GRI 406-1	Incidents of discrimination and corrective actions taken	UNGC 3, 4, 5, 6	20	

Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
<b>Freedom of association and collective bargaining</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>				
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	UNGC 3, 4, 5, 6	43	
<b>Child Labor</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 408: Child Labor 2016</b>				
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	UNGC 3, 4, 5, 6	43	
<b>Forced or Compulsory Labor</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 409: Forced or Compulsory Labor 2016</b>				
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	UNGC 3, 4, 5, 6	43	

Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
<b>Security practices</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		Not applicable. This is not a material topic.
<b>GRI 410: Security Practices 2016</b>				
GRI 410-1	Security personnel trained in human rights policies or procedures	UNGC 3, 4, 5, 6		Not applicable. The security personnel responsible for building protection consists exclusively of direct employees of Conrad Electronic. Pursuant to this, the Conrad Code of Conduct including comprehensive guidelines on behaviour is a regular part of employment contracts.
<b>Rights of indigenous peoples</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		Not applicable. This is not a material topic.
<b>GRI 411: Rights of Indigenous Peoples 2016</b>				
GRI 411-1	Incidents of violations involving rights of indigenous peoples	UNGC 3, 4, 5, 6		Not applicable. Violations involving the rights of indigenous peoples is not a material topic relative to other topics at our sites.
<b>Local communities</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		Not applicable. This is not a material topic.

Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
<b>GRI 413: Local Communities 2016</b>				
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	UNGC 3, 4, 5, 6		Not applicable. See GRI 203.
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	n.a.		Not applicable. See GRI 203.
<b>Supplier social assessment</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 414: Supplier Social Assessment 2016</b>				
GRI 414-1	New suppliers that were screened using social criteria	UNGC 3, 4, 5, 6	22	
GRI 414-2	Negative social impacts in the supply chain and actions taken	UNGC 3, 4, 5, 6	22	
<b>Public Policy</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 415: Public Policy 2016</b>				
GRI 415-1	Political contributions	UNGC 10	57	

Labor/management relations	UNGC	Page	Omissions incl. reason and explanation
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## Customer Health and Safety

### GRI 3, Material Topics 2021

GRI 3-3	Management of material topics	n.a.	
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### GRI 416: Customer Health and Safety 2016

GRI 416-1	Assessment of the health and safety impacts of product and service categories	n.a.	23
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	n.a.	19

## Marketing and Labeling

### GRI 3, Material Topics 2021

GRI 3-3	Management of material topics	n.a.	
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### GRI 417: Marketing and Labeling 2016

GRI 417-1	Requirements for product and service information and labeling	n.a.	23
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling		19
GRI 417-3	Incidents of non-compliance concerning marketing communications		19

Labor/management relations		UNGC	Page	Omissions incl. reason and explanation
<b>Customer Privacy</b>				
<b>GRI 3, Material Topics 2021</b>				
GRI 3-3	Management of material topics	n.a.		
<b>GRI 418: Customer Privacy 2016</b>				
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	n.a.	19	

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 92240 Hirschau, Germany  
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