

# Declaration of Principles on Respecting Human Rights

Telefónica Deutschland is committed to respecting human rights and taking responsibility for its value chain. We apply existing laws, respect the internationally recognised human rights and ensure that within the scope of our business activity human rights violations are prevented. This Declaration of Principles on Respecting Human Rights applies to all companies of the Telefónica Deutschland Group, i.e. all direct and indirect subsidiaries of Telefónica Deutschland Holding AG.

## STANDARDS AND GUIDELINES

In line with the United Nations Guiding Principles on Business and Human Rights, we commit ourselves to upholding the principles of the following internationally recognised human rights frameworks and standards:

- The United Nations Universal Declaration of Human Rights
- The United Nations International Covenant on Civil and Political Rights
- The United Nations International Covenant on Economic, Social, and Cultural Rights
- The conventions and recommendations of the International Labour Organization (ILO) for labour and social standards
- The International Labour Organization Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration)
- The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- The principles of the United Nations Global Compact (UNGC)
- The Charter of Fundamental Rights of the European Union

We further support the United Nations 2030 Agenda for Sustainable Development and aim through our actions to make a contribution to achieving the Sustainable Development Goals (SDGs).

The norms and values embedded in the given frameworks are also reflected in our own guidelines and constitute a binding framework for our employees, business partners and suppliers.

- Business Principles: binding guidelines for all of our activities and decisions when dealing with third parties – both within and outside our company
- Sustainable Supply Chain Policy: the basis for cooperation with our suppliers
- Human Rights Policy: our commitment to respect and promote human rights in our operations and supply chains

We encourage and support our employees, business partners and suppliers in exercising their due diligence and avoiding negative impacts. We require our suppliers to stipulate that subcontractors fulfil our human rights requirements.

## RISK ANALYSIS AND IMPLEMENTATION

To review the impacts of our actions on human rights, in 2018 we carried out our first human rights risk analysis. The objective of the risk analysis was to examine potential human rights risk topics and prioritise the areas we have identified as containing particular risks. On the basis of this information, we aim to establish measures to avert potential risks, orient our management processes accordingly, and raise awareness of these subjects among our employees, business partners and suppliers.

To this end, the following nine human rights fields of action which could potentially be relevant along our value chain were identified on the basis of the frameworks named above:

### Our nine human rights areas of action

1. Prohibition of discrimination, the right to equal opportunities and treatment
2. Prohibition of slavery and forced labour
3. Prohibition of child labour, protection of minors
4. Freedom of thought, expression and religion
5. Freedom of assembly and association
6. Right to liberty and self-determination
7. Right to work, fair pay, safe working conditions and social security
8. Right to health, well-being and secure work
9. Right to education, further development and training

We are aware that along the complex value chains – particularly where mobile phones and mobile-phone accessories are concerned – our opportunities to exert influence are in part somewhat limited. That is why through the memberships of the Telefónica, S.A. Group in international multi-stakeholder initiatives, we have committed ourselves to establishing greater transparency and sustainability in the supply chain. Not only do we play our part in the Responsible Minerals Initiative (RMI), which is dedicated to promoting the sourcing of conflict-free raw materials, but also in the Joint Audit Cooperation (JAC), where the world's largest telecommunications companies are brought together under the same banner. Along with the exchange of experiences, the JAC's primary objective comprises carrying out of efficient and uniform supplier audits for its member companies at a global level.

### COMPLAINTS MECHANISMS

Telefónica Deutschland puts a reporting channel at its stakeholders' disposal that can be used for complaints and whistleblowing on human rights violations. This channel is open to everyone, regardless of the reporting individual's status or type of contractual or business relationship with Telefónica Deutschland or its associated companies. At the same time, the Telefónica Deutschland ombudsman can be contacted at all times via a confidential helpline. Messages are treated in confidence and the responsible department in the company deals with them appropriately.

### STRUCTURE AND RESPONSIBILITIES

The Management Board of the Telefónica Deutschland Group bears responsibility for reviewing the compliance and implementation of our human rights due diligence. Corporate Responsibility was the department tasked with managing execution of the first human rights risk analysis. Based on the results of this analysis, we are currently defining internal responsibilities for implementation.

### REPORTING AND DEVELOPMENT

We understand engaging with the subject of human rights and carrying out an appropriate risk analysis to be an ongoing process that has to be continuously adjusted and developed. We provide information on the progress of implementation and development in our annual CR Report.

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