



# Human Rights Policy

Approved by the Management Board of the Telefónica Deutschland Holding AG on its meeting of October 2nd 2019.

This policy is applicable for all companies within the Telefónica Deutschland Group, i.e. all direct and indirect subsidiaries of Telefónica Deutschland Holding AG (also referred to in this document as "Telefónica Deutschland Group")

Telefónica Deutschland Holding AG  
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## 1. Introduction

Telefónica Deutschland Group is a company committed to respecting the dignity of all persons and the rights which are inherent to them as human beings and seeks to promote and preserve the wellbeing of the societies in which it operates.

This Policy formalises our commitment to human rights which is included in the Telefónica Business Principles, in general, and more specifically in a set of policies and regulations which safeguard the respect for, and implementation of, internationally recognised social, economic, and cultural human rights. We use a human rights due diligence process to identify, prevent, and mitigate the violation of human rights, and we are committed to providing fair and equitable remedy should we cause an adverse impact on such rights.

Our policy is based on the **United Nations Guiding Principles for Business and Human Rights** and the following International Human Rights agreements and commitments:

- The United Nations Universal Declaration of Human Rights
- The United Nations Global Compact
- The United Nations International Covenant on Economic, Social, and Cultural Rights
- The Guidelines of the Organisation for Cooperation and Economic Development for Multinational Companies
- The fundamental rights in the eight core conventions of the International Labour Organisation as highlighted in the Declaration on Fundamental Principles and Rights at Work
- The United Nations International Covenant on Civil and Political Rights
- The United Nations Convention on the Rights of the Child
- The United Nations Convention on the Rights of Persons with Disabilities
- The Global Network Initiative's Principles on Freedom of Expression and Privacy (“the GNI Principles”)
- Charter of Fundamental Rights of the European Union

## 2. Purpose and Scope of this Policy

The purpose of this Policy is to reaffirm Telefónica Deutschland Group’s commitment to respect and promote human rights in our operation and supply chain.

These general guidelines define a framework for action - understood as a minimum requirement - that may be developed in greater detail.

## 3. Our commitments

Our approach regarding the respect and promotion of human rights has been developed around areas that cover our sphere of influence in our relationship with employees, suppliers, customers, and society at large, and is specified by the following commitments:

### 3.1. Commitment to the customer

At Telefónica Deutschland Group we work to offer products and services that contribute to generating a positive impact on the lives of people, starting with the following commitments:

- Privacy: To ensure the lawful processing of personal data with the goal of respecting the fundamental rights and freedoms of individuals, and specifically, the fundamental right to the protection of personal data.
- Security: To provide secure and reliable infrastructure and services, and to ensure the protection of the data, preventing its loss, modification, misuse, or unauthorised access.
- Freedom of Expression: To respect and work to protect privacy and freedom of expression, trying to prevent or minimise the impact that may result from possible governmental restrictions. These restrictions must be consistent with national and/or international standards and laws, and must be necessary and proportional to the pertinent purpose, such as, for example, national security or the protection of children.
- The responsible development and use of products and services: To apply special care to new value propositions, including those based on advanced technologies, incorporating due diligence processes at different stages of their creation and application.
- Child protection: To contribute to the protection of children and young people online, and to promote the responsible use of technology by this group through programmes and projects for this purpose.
- No-discrimination: Prevent the discriminatory treatment in relation to our clients, without prejudices associated to race, nationality, ethnic origin, religion, gender, sexual orientation and gender identity, marital status, age, disability, or family responsibilities.

### 3.2. Commitment to the employee

We have internal policies and processes to promote the respect for labour rights and prevent discriminatory practices. These commitments are fundamentally:

- Diversity, inclusion and equal opportunities: To promote equal opportunities and prevent the discriminatory treatment of people in all areas of our organisation and of our value proposals, without prejudices associated to race, nationality, ethnic origin, religion, gender, sexual orientation and gender identity, marital status, age, disability, or family responsibilities. To promote equal salaries among similar positions in similar contexts.

- To reject all forms of harassment, threat, or intimidation -either verbal, physical, sexual, or psychological- in the workplace.
- Health and Safety: To provide a safe and healthy workplace at all our facilities through the adoption of occupational health and safety procedures and regulations. To provide mechanisms for reconciling personal and professional lives and the right to rest. To promote the communication and reinforcement of a culture of security, developing awareness of the risk, and encouraging responsible behaviour by its workers through information and training sessions, among other activities.
- Security: To provide secure and reliable infrastructure and services, and to protect the privacy of the data, loss, modification, misuse, or unauthorized access.
- Privacy: To ensure the lawful processing of personal data with the goal of respecting the fundamental rights and freedoms of individuals, and specifically, the fundamental right to the protection of personal data.
- Freedom of association and the right to collective bargaining: To guarantee trade-union freedom, freedom of association, the right to industrial action, and the right to collective bargaining regardless of the area where we develop our operations.
- Forced labour and slavery: To prohibit and reject any form of forced labour, slavery, or human trafficking within our operations and to conduct risk-based due diligence to minimise any possible risk in our supply chains.
- Child labour: To respect the rights of children. To prohibit and reject the use of child labour in our operations, verifying that, in our hiring processes, all employees are above the local legal minimum working age, respecting, in any case, the provisions of Convention no. 138. of the International Labour Organisation.

### 3.3. Commitment to society

We are committed to delivering a positive impact and sustainable growth to the societies in which we operate:

- Anti-corruption: We act with honesty and integrity. We fight corruption in its different forms through the implementation of a control environment consisting of elements such as internal regulations and procedures regarding anti-corruption, and the continuous training of our employees.
- Digital inclusion: To promote access to connectivity through partnerships in initiatives that promote connectivity in remote or hard-to-reach areas. To contribute to initiatives related to digital education and access to technology by groups at risk of social exclusion.
- Environment: To contribute to the protection of the environment and to promote a healthy environment for people, applying the principles contained in our Environmental Policy and Regulations, and assuming the following commitments, among others:
  - To establish as fundamental principles the prevention of pollution, the protection of biodiversity, the efficient use of resources, and the circular economy.
  - To promote a decarbonised economy, disengaging the growth of our business from greenhouse gas emissions, and promoting the use of renewable energies.

- To foster innovation in digital services and products that contribute to solving the global and local environmental challenges, generating a positive impact on the environment through technology.
- **Community:** To respect the economic, social, and cultural rights of those communities in which we develop our activity with the goal of maintaining collaborative relationships within the framework of trust. To actively listen to our stakeholders in order to understand their expectations and be able to achieve an effective contribution and environment of trust.

### 3.4. Commitment to the respect for human rights in our supply chain, and our relationships with business partners

We make the following commitments when we work with suppliers, contractors, or allies:

- To demand that they comply with the ethical and sustainability standards that we promote in our Business Principles and in our Supply Chain Sustainability Policy.
- To have a management system in place that seeks to ensure that our suppliers comply with these principles.
- To collaborate mainly through Telefónica S.A. in initiatives that have the goal of eliminating, in the sector, the use of minerals whose extraction entails the violation of human rights and/or whose incomes finances armed conflicts.

## 4. Our due diligence process

Our due diligence process is based on the Guiding Principles for Business and Human Rights of the United Nations (UN). We ensure this process by identifying the priority issues for the company and our stakeholders, taking into account our impact, risks, and opportunities.

All areas, both business and supporting functions, are responsible for this process, each within its scope, for the purpose of achieving the following objectives:

- **Human Rights Policy:** To have a public commitment to human rights approved at the highest level.
- **Impact assessment:** To identify and prioritise the real and potential impacts of our activity on human rights. To promote the respect for human rights, regardless of the context where the business operates, in order to avoid causing, contributing to, or being related to adverse impacts on human rights. To periodically assess the impact on human rights of our operation. To establish processes of dialogue with stakeholders in order to identify, assess, prevent, mitigate, and remedy violations, in such a way that continuous learning and improvement in this matter can be ensured.

- **Integration of impact assessment results into the company's processes:** To continuously review and update our main policies, processes, and management systems. To include perspective human rights as a basic risk in the Company's risk map. To strengthen internal capabilities for the management of human rights, making the adequate resources and tools available.
- **Measurement and reporting on progress:** To measure and report on the implementation of our human rights due diligence process.
- **Grievance and Remedy Mechanism:** To ensure legitimate consultation and complaint processes for all stakeholders, including a consultation, complaint, and reporting mechanism. To establish adequate remedy mechanisms regarding any adverse impact that Telefónica Deutschland Group is directly responsible for.

## 5. Consultation and whistleblowing channel

Telefónica Deutschland Group has available a reporting channel to their stakeholders for the reports regarding human rights. This reporting channel is open to anyone, regardless of the existence or type of contractual or business relationship with Telefónica Deutschland Group or its affiliates. In parallel it is always possible to contact our ombudsman – confidential helpline. Messages will be treated confidentially and handled appropriately by the responsible department in the company.

## 6. Implementation and monitoring

The Management Board of Telefónica Deutschland Group has overall responsibility of the human rights due diligence. The Corporate Responsibility department manages the due diligence process with the support of the respected departments in matters of human rights, and is responsible for promoting, coordinating, measuring, and reporting the development and implementation of this Policy. Further internal responsibilities must be defined.

At Telefónica Deutschland Group we are committed to maintaining a transparent management model of the human rights programme, and to periodically sharing the vision that our main stakeholders have in the field of human rights with the internal management bodies. In turn, we will systematically include the subject of the management of human rights in the dialogues with our stakeholders.

## 7. Internal audit

Observance and compliance of these regulations by the different areas of the Company will be subject to review and oversight by the Internal Audit area, which will be empowered to carry out sample supervisions of the controls established herein, whenever it considers it convenient.

## **8. Review and modifications**

This corporate policy will be periodically reviewed taking into account the organisational, legal, or business changes that may occur at any time, for the purpose of maintaining its pertinence, sufficiency, and effectiveness.