



Sustainability @ CODICO



In the age of continual societal and ecological changes, CODICO has recognized the essential importance of sustainable actions for the future.

This sustainability report documents our ongoing efforts to integrate the principles of social responsibility, environmental stewardship, and responsible business practices into the foundation of our operations. By clearly committing to these values, we strive not only to optimize our operational performance but also to make a positive contribution to society and the environment.

This analysis provides a comprehensive overview of the implemented concepts and tools aimed at achieving a balanced integration of social, ecological, and economic aspects. Through transparent communication and continuous improvements, our goal is to shape a sustainable future for CODICO and the communities in which we operate.



Our history, it all began in 1977

CODICO was founded on December 7, 1977, by Dr. Heinrich Hawlik and Ludwig Waktor with the aim of conquering the electronics world from Perchtoldsdorf. The mission and vision then, just as they are today, were focused on customer- and project-oriented sales of electronic components. The pleasing and continuous upward trend necessitated several expansions of the available office and warehouse space.

The second generation

With the retirement of company founder Heinrich Hawlik in 2004 and the completion of the succession plan, Karin and Sven Krumpel together assumed the management of the family business. In 2007, CODICO made the move to its current location in Perchtoldsdorf. Office, meeting, and training rooms, as well as a comprehensive warehouse and logistics area, were designed according to the latest requirements. Thanks to the forward-thinking architecture and design, the possibility of expanding the site in the future was left open. This opportunity was seized in 2020

Expansion in 2020

Alongside the enlargement of the site, not only were the office spaces renovated and the logistics center expanded, but also the construction of the CODICO Central Park took place



Our CODICO Values

We Take Responsibility

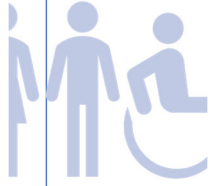
We take responsibility for our thoughts and actions in economic and social matters. We define responsibility through commitments to stakeholders and ourselves. We are reliable partners for customers, suppliers, employees, and society. We also see this as a high standard of performance for ourselves and all business partners. Trust, which we always extend to others and expect in return, is also a prerequisite and foundation of responsibility.

We Live Family

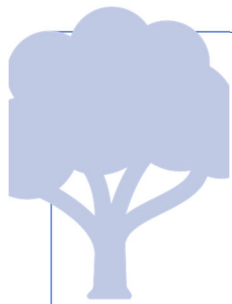
At CODICO, we prioritize family! As a second-generation family business, our roots lie here. Collaboration with employees, customers, and suppliers is guided by the core values of a family. Each individual is respected and treated with respect, and each individual is valued. Open communication is consciously practiced through internal processes. Happiness, positive thinking, and being approachable to all are essential prerequisites for successful action, alongside all the economic cornerstones!

We Are Dynamic

We operate flexibly and openly in our environment. We are open to developments and drive innovation forward as a result. We encourage and support the engagement of individuals and groups, advocate for our goals, and see this as a cornerstone of long-term relationships and success. Dynamism as a corporate value means never standing still, constantly evolving, and embodying forward-thinking.



Societal Responsibility



Responsibility for our Environment



Responsible Business Practices

Societal Responsibility

Societal Responsibility

Trustworthiness, Respect, and Reliability CODICO stands for internationality and cultural diversity within the CODICO community. Each individual's actions contribute to the promotion of new ideas and approaches, making diversity a fundamental success factor for us. CODICO offers a variety of job opportunities not only at the Perchtoldsdorf location but also in its subsidiaries. This has led to a rich cultural diversity within the CODICO family, which we consider one of our success factors.

We value and promote the individual skills of our employees, and our code of conduct obliges us to respect their dignity and personality, to treat each other with respect, and to consciously and productively perceive diversity. Any form of discrimination is not tolerated at CODICO, including discrimination based on views and beliefs, cultural, religious, or political backgrounds, sexual orientation, as well as mental or physical characteristics or abilities. It is essential for CODICO to conduct personal employee discussions at least annually to promote individual skills, competencies, and qualifications



Occupational Safety and Health

CODICO implements the following general principles of hazard prevention in the design of workplaces and work processes, in the selection and use of work equipment and substances, as well as in all measures to protect employees:

- Avoidance of risks
- Assessment of unavoidable risks
- Hazard control at the source
- Elimination or reduction of hazardous moments
- Planning of hazard prevention
- Priority of general hazard protection over individual hazard protection
- Issuance of suitable instructions to employees

Workplace Health Promotion

For CODICO, the health and safety of our employees are of great importance. We offer comprehensive health promotion, including:

- In-house ergonomics experts for individual consultation and workplace setup
- Ergonomics training
- Weekly sports program
- Weekly yoga sessions
- Free vaccination campaigns and vaccination education (COVID, tick protection, and flu)
- In-house occupational physicians, occupational psychologists, and safety specialists
- Rehabilitation, i.e., reintegrating employees after an extended sick leave

To ensure the health and safety of employees, first aiders, fire safety officers, safety specialists, and safety representatives are appointed.

Their tasks include:

- Conducting work safety-related inspections and health protection during construction planning and execution phases or even just structural changes, in collaboration with occupational health management
- Regular internal inspection of escape routes and widths
- Assessment of substances used at work in collaboration with occupational health management
- Organizing refresher courses for first aiders
- Providing information on ergonomics in the workplace
- Organizing and conducting lectures on medical topics in collaboration with occupational health management
- Evaluation of all workplaces in collaboration with occupational health management
- Providing health counseling to apprentices
- Follow-up on all accident reports, including near misses
- Procurement of personal protective equipment and durable cotton clothing for our warehouse team

In addition to these activities, knowledge dissemination and awareness-building around 'Healthy Mind in a Healthy Body' are essential for us.

Well-thought-out safety concepts, high standards, continuous improvements, and ongoing training contribute to preventing workplace accidents.

Benefits and Events

Employees of CODICO benefit from a variety of attractive offerings. CODICO places great importance on promoting social networking and the well-being of all employees.

- Apprenticeships at CODICO
- Supplementary pension insurance
- Health-promoting measures
- Bonuses & loyalty rewards
- Suggestion system
- Company events
- CODICO mentorship program for new employees
- Promotion of joint sports events
- 'Pimp-your-bike' spring campaign
- Open House Day for schools
- Summer internships for students
- Discounts & concessions
- Sponsorship of communal gatherings for employees
- Home office arrangement for CODICO employees
- Trade show appearances
- Company-owned parking lot
- Swimming pond
- Very good public transportation connections
- Corporate Farming
- Coffee, tea, and mineral water freely available
- CODICO Central-Park for professional and private use



CODICO Lunch Table

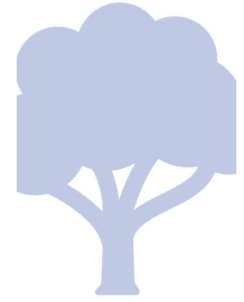
A significant contribution to personal well-being is a healthy and balanced diet.

Quality, freshness, and the origin of food are significant aspects in our CODICO kitchen. CODICO employees can look forward to a balanced and sustainable selection of dishes.

Various herbs, such as sage, rosemary, or thyme, are grown in our own raised beds in the CODICO Central Park



Responsibility for our Environment



Our Contribution to Environmental Protection

An intact environment is essential for sustainable economic development, and CODICO also bears responsibility in solving environmental issues. We are aware of this responsibility and actively engage in environmental protection. This includes measures to reduce our carbon footprint, transition to renewable energy, and promotion of energy efficiency. In addition to ensuring compliance with all regulatory and legal requirements, CODICO collaborates closely with our suppliers.

Through various other initiatives, we actively contribute to environmental protection and advocate for a sustainable future:

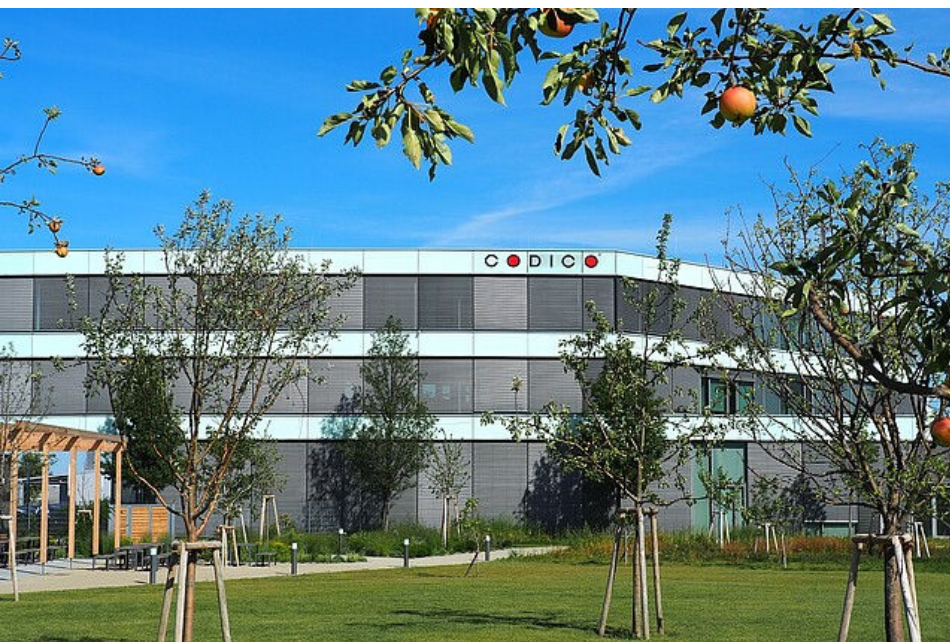
- Establishment of a 320.48 kWp photovoltaic system
- Fleet conversion to electric mobility
- Installation of electric charging stations
- Reuse of circulation packaging
- Conscious management of resources – reuse of packaging materials
- Provision of purified drinking water for all employees to avoid the use of plastic bottles
- Optimization of acceleration and braking curves of shelf handling equipment in the warehouse area
- Tree planting and greening of our premises
- Promotion of biodiversity through the care of 4 bee colonies
- Acquisition of LED lighting with motion sensors
- Optimization of heating and ventilation systems
- Water consumption reduction through sensor faucets

CODICO Central Park

As part of the 2020 renovation, an opportunity arose to offer CODICO employees something unique in Austrian: the CODICO Central Park – a 12,000m² recreational park. The Central Park aims to be not only a place of tranquillity and relaxation but also a healthy habitat for people, plants, and animals, reflecting the values of our family-owned company.

The Park provides employees with outdoor workspaces, various sports facilities including a pond, and areas for relaxed social gatherings. As part of the Corporate Farming project, a variety of fruits and vegetables have been grown, ensuring that employees always have access to fresh produce directly.

In the CODICO Central Park and adjacent green spaces, we prioritize locally adapted plants and consciously opt for a high diversity while refraining from using pesticides and chemically synthesized fertilizers. Through these and other measures, we actively contribute to environmental protection and advocate for a sustainable future.



Honeybees at CODICO

Within the CODICO premises, we have established 4 beehives. A local beekeeper passionately oversees the CODICO Bee Project with expertise and dedication.

Honeybees are crucial for nearly all ecosystems on our planet, as they facilitate the pollination of a large portion of plants, thus enriching the food chain. Many flowers rely on bees for reproduction, while bees in turn rely on flowers for collecting food. At CODICO, our honeybees have plenty to do, as we have ensured that countless ornamental, vegetable, and locally adapted wild plants, herbs, and fruit trees serve as food sources for our honeybees.

We take responsibility for shaping our thinking and actions sustainably. Honeybees allow us to experience natural processes up close, gain an understanding of complex relationships, sharpen our awareness of details and the bigger picture, and harvest high-quality products.

With our project, we support bees and thereby promote local biodiversity and species diversity.



The Preservation of Biodiversity

We have improved the land use of our site by greening our roof surfaces. Wildflower meadows, fruit trees, herb and vegetable beds also contribute to the proportion of natural areas at CODICO and provide important habitat for flora and fauna. With all these measures, we have achieved a considerable proportion of natural areas. In the coming years, we will implement further targeted measures to promote biodiversity at our locations.



Resource Conservation

CODICO utilizes necessary resources as efficiently and environmentally friendly as possible. As a non-producing company, we have no direct emissions or environmental impacts. We make decisions with foresight and can guarantee our business operations while adhering to the highest social, environmental, and quality standards.

“Let us not lose sight of the true purpose behind all these great projects: preserving what we have and passing it on to the next generation. It's about not destroying something special, but treating it with respect and appreciation. That's all it takes to make sustainable action a matter of course, without constantly talking about it or patting ourselves on the back”

Sven Krumpel

Decarbonization and Climate Protection

As a family-owned service provider, we are aware of the impact of our business activities on the environment and climate. We focus on the mindful use of energy and resources in all areas, along with a corresponding reduction of greenhouse gases.

Currently, over 60% of the energy required comes from renewable sources. This value is exclusive of our self-generated electricity through our PV system.

Energy Utilization:	
Electricity Provider -Mix Wien Energie:	
Hydropower	46,10%
Wind Energy	11,81%
Solid or Liquid Biomass	4,82%
Natural Gas	32,53%
Other Renewable Energy Sources	2,98%
The certificates of origin are 100% from Austria and have been verified by E-Control	
Gas Supply EVN Energie:	
Gas of Unknown Origin	99,73%
Biomethane from Austria	0,27%

Environmental Impact of Electricity	
CO2 Emissions	108 g/kWH
Environmental Impact of Gas	
CO2 Emissions	200,45 g/kWH

Improving Energy Efficiency

The conscious decision to implement new and resource-saving technologies is ingrained in all areas of the company. We continuously implement measures to optimize energy consumption.



Expansion of our PV Systems

At our main company location in Austria, we generate green electricity through photovoltaic systems. In 2023, the photovoltaic system was expanded from 102 kWp to 320.48 kWp. The installation of a battery storage system to be able to use the green electricity selectively is planned.



Water Consumption

At the Perchtoldsdorf site, all sanitary facilities and irrigation systems have been optimized. Additionally, there is an 800m³ rainwater harvesting tank available, which is used not only for firefighting purposes but also for garden irrigation. Approximately 95% of the consumed water - exclusively household use - comes from the municipal water supply, while the rest comes from surface water, rainwater, and groundwater.

Waste and Circular Management

In the year 2023, the total waste generated amounted to 103 tons. CODICO does not have any hazardous waste. Although the amount of waste generated increased compared to the previous year, the recycling rate of the generated waste is progressively improving. Currently, 49% of our waste is recycled - these recyclable materials are processed by our disposal companies for reuse. 40% of the waste is thermally treated. Smaller amounts are composted (8%) or landfilled (3%).

Overall, various types of waste are collected and then subjected to recycling or disposal processes.



Responsible Business Practices



Our Principles

We don't measure success solely by economic profit; rather, we view our business activities holistically. We conduct our business operations in accordance with the highest ethical standards and require all employees to act with personal and professional integrity in line with these standards.

We strictly adhere to these principles in all business activities and throughout the entire value chain.

Business Operations

Since its founding in 1977, CODICO has operated under the motto of pursuing long-term growth instead of short-term profits.

CODICO's core business thus consists of providing technical support from the initial development phase through to the end product, along with the sale of only high-quality electronic components.

Working closely with our suppliers, CODICO is able to advise customers on the latest trends in technology as well as sharing product roadmaps. This gives us a competitive advantage.

The result: we are growing, with now more than 220 employees internationally.

Value Chain

At CODICO, we view the value chain holistically, starting from supplier selection and delivery routes all the way to our customers. This is where our responsibility lies, to sustainably supply our customers with products and services.

In the framework of our supplier management, both new and existing suppliers are continuously evaluated, monitored, and developed using the following standardized methods:

- Supplier evaluation/qualification
- Compliance with the code of conduct
- Supplier risk monitoring
- Comprehensive assessment of logistics partners
- On-site supplier assessments
- Awareness-building initiatives

Integrity & Compliance

We are a distributor and importer of electronic components and various other electronic products. We confirm that we understand and fulfil all obligations as an importer and distributor accordingly. To ensure legal compliance, CODICO operates a quality management system according to ISO 9001, which includes the establishment and updating of a legal register and ensures the implementation of updated and new legal requirements.

As a distributor and market entrant of components, CODICO is subject to numerous legal requirements and obligations.

REACH

CODICO complies with the regulations of the REACH Regulation (EC) 1907/2006 on the Registration, Evaluation, Authorization, and Restriction of Chemicals. Regulation (EC) No. 1907/2006 (last amended by Regulation (EU) 2019/1691) is an EU chemicals regulation that entered into force on June 1, 2007. Our company is based within the EU, therefore we act as a distributor for our manufacturers and suppliers also registered in the EU, and we comply with the provisions of the REACH Regulation.

We are fully aware of our obligations as a distributor. We ensure that our suppliers are aware of the significance of REACH regulations and their obligation to inform us if their products supplied to CODICO contain substances of very high concern (SVHC) according to the REACH Regulation. If we receive indications that SVHCs are used in our components in a concentration above 0.1%, we take immediate action.

For manufacturers and suppliers outside the EU, we act as an importer and comply with the resulting obligations. If substance registration is required for the products we trade, we will take the necessary measures.

RoHS

CODICO also meets the requirements of Directive 2011/65/EU (RoHS3) on the restriction of the use of certain hazardous substances in electrical and electronic equipment (including predecessor Directive 2011/65/EU (RoHS2) and Supplement 2015/863/EU). This directive regulates the use of hazardous substances in devices and components. We receive information about the RoHS compliance of individual components from our manufacturers and also provide this information on our documents, such as quotations, order confirmations, and delivery documents.

CMRT - EMRT

On May 19, 2017, Regulation (EU) 2017/821 was published, establishing obligations for EU importers to fulfil due diligence requirements in the supply chain of certain minerals and metals from conflict-affected and high-risk areas. Conflict minerals refer to minerals, raw materials, and other goods extracted or mined in conflict regions. The production or extraction of these substances often occurs illegally and outside of government control, such as by rebels or militias. The extraction of these contested substances often involves systematic human rights and international law violations. Conflict minerals include, in particular, tin, tantalum, tungsten, and gold, which are mined in the Congo or the Great Lakes region of East Africa.

With this regulation, the EU aims to contribute to a responsible trade strategy for minerals from conflict areas, thereby curbing the financing of armed conflicts through proceeds from the mineral trade in conflict regions. Since January 2021, Regulation (EU) 2017/821 is binding in the EU.

CODICO aims to avoid sourcing such minerals in a way that could contribute to the financing of conflict parties if they are used in our products. Since we do not directly procure any of these minerals, our efforts also focus on ensuring that our suppliers are equally committed to this goal. Additionally, the responsible sourcing of the raw materials cobalt and mica is also an important concern for CODICO.

We provide reports from our manufacturers in the form of CMRT and EMRT to our customers upon request

Closing Words

In concluding this sustainability report, we would like to express our gratitude for your interest and attention. The detailed analysis of our efforts to integrate concepts and instruments for improving social, ecological, and economic aspects at CODICO underscores our commitment to a sustainable future. We recognize that the path to holistic sustainability is an ongoing process that requires continuous adjustments and innovative solutions.

We are pleased to contribute to a healthy habitat for humans, plants, and animals.

The insights gained from this report serve not only as a benchmark for our past progress but also as inspiration for future initiatives. CODICO remains committed to exerting a positive influence on society, the environment, and the economy through collective efforts and dedicated partnerships. We are firmly committed to addressing the challenges of sustainable development and making our contribution to creating a sustainable future.

We encourage you to actively participate in this process, whether as an employee, partner, or supportive member of our community. Together, we can make a significant difference and shape a sustainable world for future generations. Thank you for your trust and collaboration on this significant journey of change.

CODICO, April 2024