



**Policy Statement on Dell's Human Rights Strategy in accordance with
the German Supply Chain Due Diligence Act:
Annex to the Dell Human Rights Policy**

This Policy Statement, in conjunction with the Dell [Human Rights Policy](#), [Global Environmental Policy](#) and related policies as set out in the Dell [Code of Conduct](#), summarizes the strategy of Dell Technologies (Dell) with respect to social and environmental due diligence practices pursuant to the German Supply Chain Due Diligence Act (SCDDA). The SCDDA is intended to protect human rights and environmental-related impacts within a company's own operations and supply chain related to the provision of goods and services. This Policy Statement has been approved by the Board of Directors of Dell GmbH.

Risk Management System

At Dell, we have formalized ESG (Environmental, Social and Governance) within our company, with governance extending to the most senior levels of leadership. We have two governance bodies responsible for oversight of ESG issues: our ESG Steering Committee (reporting into the Executive Leadership Team) and the ESG Interlock Team.

Each has its own roles and responsibilities, aligning with how we manage risk in the company. We have continued to evolve the responsibilities of these governance bodies to match our growing ESG efforts and keep pace with emerging trends.

ESG Steering Committee

- Sets and leads our annual ESG strategy
- Provides leadership oversight over ESG matters, risks and current & future regulation
- Ensures there are necessary resources to support ESG efforts
- Reviews the progress of our ESG goals
- Supports efforts to improve performance against priority ESG ratings, rankings and awards
- Monitors global ESG regulatory updates and oversees readiness efforts
- Engages and provides updates to and from the Dell Executive Leadership Team, Board of Directors and ESG councils

ESG Interlock Team

- Enables the execution of our ESG strategy
- Acts as the central hub responsible for coordinating and executing activities among councils, working groups and departments for key focus areas
- Stays aligned and informed on key risks, regulations, emerging trends and stakeholder priorities
- Influences decisions that could impact the company's ESG strategy
- Monitors performance against our ESG goals and priority ESG ratings, rankings and awards
- Acts as a conduit to other councils and/or stakeholder groups

- Engages and provides updates to and from the ESG Steering Committee

These governance bodies are composed of members from various teams across Dell who create an integrated perspective and approach to ESG, operationalizing our commitments to responsible and ethical business conduct, including respect for human rights across our value chain.

Role of the Board of Directors in ESG practices and risks

The Board of Directors is committed to operating in a responsible manner, overseeing the establishment and maintenance of our governance, using compliance and risk oversight processes and procedures to promote responsible, ethical business conduct rooted in integrity. Representatives from our ESG Steering Committee report regularly to the Board. Awareness of key risks associated with ESG, such as adapting to climate change and mitigating human rights risks, is a key responsibility of the Board. The Board is provided with regular updates on progress against our ESG goals and initiatives.

Human Rights Advisory Committee

To further promote alignment and integration of our human rights strategy, we have established a cross-functional Human Rights Advisory Committee composed of executive leaders of organizations responsible for managing human rights risks and advancing robust governance practices across our business and value chain.

Dell documents human rights and environmental-related risk practices in accordance with all applicable data privacy regulations and confidentiality processes, retaining information in accordance with data retention best practices.

Risk Analysis Process

Dell operates one of the largest social and environmental responsibility (SER) assurance and engagement programs in the technology sector. Through our SER initiatives, we proactively identify and mitigate issues throughout the tiers of our supply chain, including final assembly, direct and sub-tier suppliers. We focus on the most salient human rights and environmental issues, using insights gained through our own operations, collaboration with industry partners, and engagement with stakeholders that empower us to drive responsible manufacturing practices and diversity and inclusion in our supply chain. Our collective insights underscore the need for strong partnerships with our suppliers.

We use a specific four-element approach in our SER audit program. This continuous improvement model is a framework for advancing supplier performance that includes risk assessment, supplier audits, corrective action plans and capability building.

In addition to ongoing human rights due diligence and assurance practices embedded in organizations across our business, we periodically engage third-party experts to conduct Human Rights Impact Assessments (HRIAs) to ensure and advance our understanding of human rights risks and impacts. These assessments inform Dell policies and support our risk mitigation, governance practices and strategic priorities, with the results of such risk analyses being communicated to relevant stakeholders through our ESG governance structure.

In 2020, we carried out a scenario analysis in alignment with the guidance of the Task Force on Climate-related Financial Disclosures (TCFD). In doing so, we assessed the potential impacts to Dell and its stakeholders in the context of future climate-related scenarios. This analysis informed our climate strategy and helped us enhance climate-related engagement internally. We are in the process of

conducting a refreshed scenario analysis to be completed in 2024, which will reconfirm climate risks across our business value chain. We continue to leverage the TCFD framework to review and communicate our governance, risk and opportunity management of climate issues. Dell has also aligned its near-term emission reduction targets with SBTi guidance and has been designated as a “1.5°C company” by SBTi, based on the ambition level of Dell’s sustainability goals, which are aligned with the Paris Agreement.

Priority Human Rights and Environmental-related Risks

Our first corporate-level HRIA, completed in FY19, confirmed our awareness of our salient human rights risks and impact areas and that we have the essential structures in place to monitor and address our most significant risk areas.

In 2023 we completed a corporate-level HRIA refresh which re-confirmed salient risks across our business value chain, our appropriate due diligence and governance practices embedded across our organization to address risks, and guidance to continuously monitor and advance mitigation strategies in evolving risk areas.

The most significant human rights impact areas across our value chain are as follows: Discrimination, Child Labor, Forced Labor, Health & Safety, Working Hours/Wages, Privacy, Environmental Responsibility, Bribery & Corruption and Responsible Product Development. We have put in place governing policies to address these risks and have set clear expectations in the Dell Code of Conduct to comply with laws and ethical business practices, including acting with integrity and respecting the fundamental human rights of others. Please refer to our annual ESG Report for further details of the salient risks.

Preventive Procedures and Processes

In Our Own Business

In alignment with the SCDDA, our processes, policies and grievance procedures are capable of monitoring, mitigating and preventing adverse impacts to human rights and environmental-related risks, including, but not limited to, with respect to (a) the prohibition of child labor, forced labor and all forms of slavery, (b) the disregard for occupational health and safety and work-related health hazards, (c) violations of freedom of association and collective bargaining, (d) unequal treatment in employment, (e) environmental pollution, (f) the production, use and/or disposal of mercury and substances within the scope of the Stockholm Convention, (g) the import and export of hazardous waste, and (h) various additional human rights and environmental-related risks in our own operations and across our supply chain.

In Our Suppliers’ Business

Selecting suppliers

Our engagement with suppliers at any tier (including final assembly, direct and sub-tier) begins with an assessment of their social and environmental risks. As part of our onboarding processes, we conduct rigorous initial risk assessments of our suppliers prior to commencing a business relationship.

We refresh identified suppliers' sustainability risk levels every year through our internal risk assessment tool and calibrate by a supplier self-assessment questionnaire (SAQ) to determine risk level using the following criteria:

- **Geographic location:** This considers regional risks around social concerns, such as child labor and forced labor, and environmental risks, such as water quality and air pollution.
- **Commodity:** This considers specific risks associated with manufacturing, such as labor intensity, manufacturing processes and paints or chemicals involved in the production of a commodity.
- **Prior responsible manufacturing performance:** This includes previous audit results and participation in our capability-building efforts.
- **Additional insight:** This refers to information obtained by Dell team members during regular and unannounced factory visits or from independent sources, such as regulatory and third-party organizations.

Based on the results of the SAQ and additional insight, we classify suppliers as low, medium or high-risk. Suppliers deemed high-risk must complete a third-party audit that determines conformance with the Responsible Business Alliance (RBA) Code of Conduct (RBA Code). In addition, we audit a portion of medium and low-risk strategic partner suppliers to determine if their risk is rising.

Ongoing communication is critical to driving continuous improvement in supplier sustainability performance. This includes communication among our suppliers, SER specialists and auditors. We also share SER performance metrics alongside other key indicators, such as cost and quality, as part of our supplier quarterly business reviews (QBRs). Key executives attend QBRs, help determine future business awards and address progress toward aligned goals.

We monitor SER risk for our Dell factories and suppliers annually. Continuous improvement is important for our operations, as well as those of our suppliers.

Contractual assurances

We are committed to responsible business practices and ethical behavior, and this includes holding our suppliers to the same high standards. The requirements are set out in our [Supplier Principles](#) and additional policies are incorporated into our contracts as part of a rigorous supplier onboarding process, including the Dell [Vulnerable Worker Policy](#), [Statement Against Slavery and Human Trafficking](#), and [Responsible Sourcing Policy](#).

Complying with these requirements is a condition of doing business with Dell, and we expect our suppliers to hold their own suppliers to the same high standards as set out in our Supplier Principles.

Capability Building

To proactively address social and environmental risks, we provide resources to suppliers for knowledge and skills building in areas such as forced labor, health and safety, and energy efficiency.

- *Factory consultations:* Our SER specialists work directly with supplier factories to better monitor and reduce risk. Engagements are customized to support long-term improvements.
- *Dell-led training and webinars:* We deliver training, roundtable sessions, interactive webinars and virtual networking sessions. Targeted to supplier management and SER professionals, these events connect suppliers with sustainability leaders, examine emerging trends and risks, and share insight into best practices.
- *Self-paced online training:* We work hard to reduce the risks faced by frontline workers in our supply chain through high-risk manufacturing process risk assessment and mitigation. Our online training programs, offered in various languages, encourage proactive knowledge and performance growth,

and drive corrective action. Mobile access makes our platform even more accessible, allowing convenient interaction with our SER specialists.

- *Frontline worker training:* We recognize that workers are essential partners for us in monitoring factories and in participating in actions to help factories meet our standards. This training is accessible through mobile devices.
- *Dell-developed tools and resources:* Not all companies throughout our supply chain have the resources and experience to create a robust sustainability management framework. To assist these suppliers, we have developed tools to help automate monitoring of areas of concern.

Audit

The Dell audit program is one of the largest in the technology sector, both in terms of number of audits conducted and reach across the supply chain. It is designed to identify sustainability risks in our supply chain and enable suppliers to both mitigate issues and build their SER capabilities. In addition, we engage our suppliers in targeted assessments and programs to drive more opportunities for improvement.

We expect our suppliers to adhere to the RBA Code. Audits help monitor suppliers' compliance with the RBA Code and highlight any areas of concern, which in turn helps Dell work with suppliers to take action to improve their performance.

Our suppliers are audited by RBA-certified third-party auditors who cover over 40 topics across five areas: labor (including risks of forced labor, child labor and noncompliance with weekly working hour requirements), employee health and safety, environment, ethics and management systems. Auditors review documents, observe work practices, and independently interview management and workers to assess SER standards implementation according to the RBA Code.

Audit findings may result in corrective action and the implementation of capability-building elements of the continuous improvement model.

Verification of Effectiveness of the Preventive Measures

Risk assessment is a continual process and to operationalize our commitment to respect human rights, we have embedded due diligence and governance practices across our business to continuously monitor and address actual or potential human rights risks. Our due diligence and governance practices, as well as external stakeholder feedback collected by third-party human rights experts, help us identify and assess evolving areas that may have an adverse impact on human rights.

The results from our regular assessments inform mitigation practices and guide our human rights road map and strategic priorities to minimize risks and advance positive outcomes. Taking Artificial Intelligence (AI) as an example, we believe technologies must be developed and applied ethically and responsibly; in 2022, we established a set of guiding principles to ensure our development and use of AI is beneficial to people and society, now and in the future.

Remedial Procedures and Processes

When areas of nonconformance with the RBA Code are discovered, our Dell SER specialists work with the supplier to create a corrective action plan (CAP) to resolve the issues within RBA-defined timelines.

Through a CAP, our team supports the supplier to identify root causes and implement mitigations to drive continuous improvement.

The severity of priority and major findings requires prompt resolution. Once the supplier addresses an audit finding, it must be closed by a second successful audit or Dell SER specialists, who validate that the issue has been resolved. We strive to work with our suppliers to improve their sustainability performance. However, in rare circumstances where it is evident that continued poor performance will not be resolved through further engagement, we may terminate our business relationship with a supplier.

Complaints Mechanism

As noted in Dell's Human Rights Policy, Dell has an established third-party operated grievance mechanism available for anyone, including team members, partners or any other internal or external stakeholders, to report concerns or issues they believe may violate Dell's Code of Conduct or any other Dell policy or standard, including with respect to human rights and environmental-related breaches in our own operations or throughout our supply chain. The process is confidential, anonymous if requested, and retaliation is strictly prohibited. More information can be found here: [Dell Technologies Speak Up FAQ](#).

Our Expectations on Employees and Suppliers

Expectations to comply with laws and ethical business practices, including acting with integrity and respecting the fundamental human rights of others, are embedded in the Dell culture and policies and clearly set out in the Dell Code of Conduct. Dell team members are required to complete annual Code of Conduct and ethics training and adhere to our code and policies, including the Dell Human Rights Policy and standards that flow from it. Annual Code of Conduct training also includes workplace health and safety requirement reminders.

Strong partnerships with our suppliers are essential for our shared success. Dell is a founding member of the RBA, which embeds requirements to uphold and ensure respect for human rights in the RBA Code. Dell adheres to these standards and also expects its suppliers to comply with the RBA Code and other requirements set out in our Dell Supplier Principles.

Our expectations of Dell's suppliers for responsible and ethical business practices are informed by international standards, including the United Nations Guiding Principles on Business and Human Rights, the United Nations Universal Declaration of Human Rights, the United Nations Convention on the Rights of the Child and other relevant U.N. conventions.

Adherence to our Supplier Principles is a condition of doing business with us, and it forms the basis for our social and environmental due diligence programs. As noted above, we work closely with our suppliers to help them develop the necessary insights and capabilities to meet these requirements.