

GUIDELINE FOR

Sustainable Business Practices



PREAMBLE

A company conducts business in a sustainable manner when it “meets the needs of the present without compromising the ability of future generations to meet their own needs.” World Commission on Environment and Development (Brundtland Report), 1987

At REWE Group, sustainability is no trend. Rather, it is a fundamental element of the group’s business strategy. As one of Europe’s leading trade and tourism companies, REWE Group recognises the responsibility it has for society and the environment. In a reflection of this commitment, it has integrated this responsibility and the six core values that arise from this mission statement.

The core value “We recognise our responsibilities and act sustainably” takes concrete form in the Guideline for Sustainable Business Practices. It is implemented on the basis of the four pillars of REWE Group’s sustainability strategy: Green Products; Energy, Climate and the Environment; Employees and Social Involvement. With specific targets and programmes, REWE Group acts in all four areas to create a balance among the economic, environmental and social aspects of its business activities. One central aspect of this effort is joint action undertaken with REWE Group’s contract partners, customers, employees, society and political institutions.

REWE Group combines a very diverse range of value-added activities: from food retail and DIY specialist stores to travel and tourism. This results in a broad range of requirements concerning sustainable and responsible business practices. This Guideline for Sustainable Business Practices documents REWE Group’s overarching commitment to its responsibility for the environment and society. It creates a foundation of values and recommended courses of action that apply in equal measure to every business unit.

The Guideline for Sustainable Business Practices also forms a foundation of values for business relationships with the contract partners of REWE Group. It serves the contract partners as a compass that they can use in developing and implementing their own sustainability policies and management systems along their supply chain. Using the Guideline for Sustainable Business Practices as a starting point, REWE Group will continue to conduct a dialogue with its contract partners about social and environmental business practices.

Together with external stakeholders and their contract partners, REWE Group develops and implements sustainability guidelines and binding standards for relevant raw materials.

In order to successfully manage complex and global supply and value chains, REWE Group participates in product or industry-specific initiatives such as the amfori Business Social Compliance Initiative (amfori BSCI), the German Initiative on Sustainable Palm Oil (Forum Nachhaltiges Palmöl, FONAP) or the German Initiative on Sustainable Cocoa (Forum Nachhaltiger Kakao e.V., GISCO). In addition, REWE Group has developed the PRO PLANET label which serves as a reliable compass for more sustainable products.

The Guideline for Sustainable Business Practices draws on the United Nations Universal Declaration of Human Rights, the conventions of the International Labour Organisation (ILO), the UN Global Compact, the United Nations Guiding Principles on Business and Human Rights, the United Nations Convention on the Rights of the Child and the United Nations Convention on the Elimination of All Forms of Discrimination Against Women.

As part of its sustainability strategy, REWE group strives to implement specific guidelines in the business units that go well beyond the present version of this guideline.

Regardless of the advisory nature of the Guideline for Sustainable Business Practice, REWE Group expressly reserves the right to impose penalties should a contract partner intentionally or grossly negligently fail to observe the fundamental values outlined in the guideline.

Lionel Souque Jan Kunath Sören Hartmann Dr. Christian Mielsch



I. RESPONSIBLE ACTION

REWE Group conducts its business activities in a responsible manner and in compliance with respective legal regulations and other binding statutory stipulations.

REWE Group's binding Code of Conduct contains more detailed standards in these terms.

1.1 Ban on corruption and bribery

We tolerate no form of corruption, bribery or extortion. To avoid conflicts of interest and harm to us and our contract partners, we consciously draw a line between private and business interests. For this reason, business relationships or contacts may not be used for our own or other people's benefit.

1.2 Fairness in competition

We win and let contracts on the basis of fair competition. For this reason, we choose our contract partners solely on the basis of the criteria of quality, price and adequacy of services. As a result, collusion and informal discussions about prices, supplier relationships and their terms and conditions are impermissible.

1.3 Responsibility for consumer interests, products and services

REWE Group and its contract partners comply with legal regulations applying to the products and services offered by its business units. This is also true for

requirements that extend beyond them, including guidelines and specifications issued to our contract partners. We pledge to comply with all applicable consumer-protection regulations as well as with appropriate sales, marketing and information practices as they apply to consumers.

1.4 Management system for responsible and sustainable business practices

We integrate standards and principles for sustainable business practices into our management systems. In the process, we formulate clear, measurable goals as well as systematically and regularly monitor, document and report about their implementation and success. Drawing on these results, we refine the standards.



II. LABOUR AND SOCIAL STANDARDS

REWE Group respects human rights. REWE Group creates fair and safe working conditions for its employees and treats them with respect. As a component of its sustainability management, REWE Group takes steps to ensure that applicable laws, contractual agreements and generally recognised labour and social standards are observed. The following principles based on ILO conventions govern and guide REWE Group as well as its business relationship with contract partners:

2.1 Ban on forced labour

We prohibit forced labour. No one should be compelled to work against his or her will or under the threat of punishment.

2.2 Avoidance of child labour

We categorically reject exploitative child labour. We comply with the ILO's standards on child labour and with the respective national laws.

2.3 Fair treatment

We treat our employees with fairness and respect. Therefore, we abhor all forms of physical abuse and the threat of such abuse as well as all forms of sexual and other physical and psychological harassment.

2.4 Ban on discrimination

We do not tolerate discrimination in employment and in the workplace for reasons of gender, race, religion, ethnic heritage, age, nationality, marital status, sexual orientation, disability, social background or political orientation.

2.5 Freedom of association and collective bargaining

We respect the right of employees to form independent and free worker organisations and to conduct free negotiations regarding employees' wages and rights.

2.6 Working hours and remuneration

We observe the maximum working hours prescribed by national legislation and industry practices. We calculate overall remuneration in such a way that it at least corresponds to the minimum standards of the respective country. Wages are paid regularly, at least once a month.

2.7 Occupational health and safety

We comply with the respective laws and standards governing occupational safety and health and provide a safe, hygienic workplace. In the process, we analyse and monitor relevant work processes for potential health and safety risks and take the steps necessary to reduce them.

III. ENVIRONMENTAL AND ANIMAL PROTECTION

REWE Group conducts its business activities in an environmentally conscious and resource-conserving manner. As part of its sustainability management, REWE Group takes steps to ensure that applicable laws and regulations, contractual agreements and generally recognised environmental protection standards are observed. The following aspects of environmental and animal protection govern and guide REWE Group and the company's business relationship with its contract partners:

3.1 Climate protection

We continuously reduce the amount of greenhouse gas emissions produced by our business processes. We promote the use of renewable energy sources. We also lower our specific energy consumption by taking appropriate energy-efficiency steps and informing our employees about energy-saving behaviour.

3.2 Resource conservation

We efficiently use the natural resources of soil, air and water as well as raw materials and fuels. To conserve resources, we continuously monitor our business processes. For this purpose, we introduce appropriate measures in consideration of the best available practices and technologies as well as the present state of technology. This effort includes comprehensive waste and recycling management.

3.3 Protection of species and biodiversity

Natural environmental systems must be preserved and better protected. For this reason, we support the goals of the UN Convention on Biological Diversity (CBD).

3.4 Animal protection and experiments

We promote compliance with and improvement of animal protection standards and the expansion of animal protection in animal husbandry. No animal experiments should be conducted as part of the development and testing of products that are to be supplied to us, unless such experiments are required by law.

3.5 Risk management

To avoid and reduce the environmental risks inherent in business processes, we minimise the use of dangerous substances by taking the appropriate steps. For this purpose, we encourage the development of preventive risk management.



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The dialogue about sustainability that we conduct with our business partners is of great importance to us. Please contact us with suggestions and questions at:
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