

APPROACH OF REWE GROUP FOR MORE SUSTAINABLE SUPPLY CHAINS

Through a clear strategic commitment and appropriate measures, REWE Group aims at contributing to reduce and avoid social and ecological impacts.

Sustainability is firmly anchored in REWE Group's corporate strategy. For REWE Group, this means: Promoting more sustainable product ranges and ensuring fair treatment of partners and suppliers, acting in an environmentally and climate-conscious manner, assuming responsibility for its employees and taking responsibility for contributing to a sustainable society. The "Green Products" pillar bundles all activities aimed at making purchasing and production processes more sustainable and thus expanding more sustainable product ranges. The activities of REWE Group are broken down into three fields of action:

- People
- Animals
- Environment

REWE Group has developed an approach for responsible supply chains in order to identify, evaluate and process the effects of private label products on people, animals and the environment:

1. Risk analyses: REWE Group continuously assesses opportunities and risks in the area of sustainability. On the one hand, these analyses are based on external evaluations of product areas, specific products or raw material supply chains. On the other hand, the assessment and experience of the external NGO expert advisory board for sustainability as well as of other stakeholders such as producers and suppliers and also employees are included.

2. Derivation of focus topics and goals: On the basis of the risk analyses conducted, focus raw materials and focus topics as well as goals and measures were defined, which are adapted and scrutinised when new results or findings emerge.

3. Definition and implementation of measures: Measures to achieve the goals and work on the focus raw materials and key topics are implemented on three different levels of cooperation.

3.1. Internal cooperation: By raising internal awareness, providing trainings, continuously analysing opportunities and risks and formulating strategies and goals,

REWE Group continues to integrate sustainable procurement into its purchasing processes with the aim of taking sustainability aspects into account in every supplier and/or product decision.

3.2 Cooperation within the supply chain: REWE Group pursues a three-step approach in its cooperation with stakeholders in the supply chain, which includes the definition of requirements, control and development of the latter. Business partners in the supply chains of private labels are obliged to indicate the production sites where the products are manufactured for REWE Group. By raising the contract partners' awareness and holding them accountable, concrete rules are created to implement sustainability throughout the supply chain.

Training courses support suppliers and producers in implementing REWE Group's requirements and continuously improving their performance. In various projects, REWE Group works directly with raw material producers to meet the challenges. In addition, transparency and the integration of sustainability are promoted as part of the supplier evaluation. Work in the supply chain also includes the establishment of effective complaint mechanisms.

3.3 Cooperation with stakeholders: In the long term, sustainability along the supply chain can only be achieved through cooperation with all relevant stakeholders. REWE Group is in continuous contact with a large number of stakeholders and is involved in various national and international initiatives, alliances and forums.

Key elements include participation in external events, industry initiatives, partnerships, involvement in the further development of sustainability standards and monitoring of relevant developments at political and regulatory level.

4. Monitoring and reporting: The implemented activities are monitored and evaluated. The findings of the monitoring are incorporated into the further development of the measures.

