GUIDELINES
FOR SUSTAINABLE BUSINESS PRACTICES
Profitably doing business without, over the long term, biting off the hand that feeds us – the core idea of sustainable business practices can be boiled down to this simple statement. Given today’s real and presumed pressures, though, it has not become any easier to actually achieve this goal. The competition sets the pace, freedom to act sometimes seems restricted, and the challenges are immense: Aging populations in Europe, intensifying global competition for scarce resources, the limited availability of water and land, and climate change will steer the direction that markets of the future will take, and will certainly test all our entrepreneurial and political abilities.

Sustainable business practices involve assuming responsibility for the environmental and social impact that these very practices create – that is, not leaving the tab for someone else to pick up. Companies would be well advised to view this commitment less as an external obligation and more as an internal conviction. In doing so, they could forcefully exploit the business opportunities that will arise from sustainable business practices.
As a trade and tourism company, the REWE Group has an enormous business footprint. When management and staff work as one and when business partners and customers embrace the benefits of sustainability, on a step-by-step, product-by-product basis, the effect of this positive transformation will be enormous.

With its Guidelines for Sustainable Business Practices, the REWE Group has created a foundation of values that will be applied day in and day out to decisions and business processes and relationships – that is, to responsible action. This job cannot be performed overnight.

And the commitment made by the Management Board is just the beginning. This effort will require the action and commitment of each individual of the REWE Group and of its business partners. I wish the REWE Group much success in this future endeavour.
Preamble

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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 the 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, the 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 it into its mission statement.
The core value “We recognise our responsibilities and act sustainably” takes concrete form in the Guidelines for Sustainable Business Practices. It is carried out on the basis of the four pillars of the REWE Group’s sustainability strategy: Green Products; Energy, Climate and the Environment; Employees and Social Involvement. With specific targets and programmes, the 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 the REWE Group’s contract partners, customers, employees, society and political institutions.

The REWE Group unites a large array of areas in value creation: from food trading and specialist stores for consumer electronics to the needs of do-it-yourselfers and services for package tours and component tourism. This results in a broad range of requirements concerning sustainable and responsible business practices. These Guidelines for Sustainable Business Practices document the REWE Group’s overarching commitment to its responsibility for the environment and society. They create a foundation of values and recommended courses of action that apply in equal measure to every business unit.

The Guidelines for Sustainable Business Practices also form a foundation of values for business relationships with the contract partners of the REWE Group. They serve 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 Guidelines for Sustainable Business Practices as a starting point, the REWE Group will continue to conduct a dialogue with its contract partners about social and environmental business practices.

At the moment, complex and global product and resource streams can be shaped only to a limited extent by the REWE Group as an individual entity. Nonetheless, the REWE Group is committed to the mid-range goal of implementing sustainability guidelines and binding standards with its contract partners through their joint supply chain. The REWE Group is already actively taking this approach, making substantial progress through its role in product- and sector-related initiatives that include the Business Social Compliance Initiative (BSCI), the sustainability label PRO PLANET and projects involving the contract growing of foods with organic and conventional agriculture.
The Guidelines for Sustainable Business Practices draw on the United Nations’ Universal Declaration of Human Rights, conventions of the International Labour Organisation (ILO) and the UN Global Compact. As part of its sustainability strategy, the REWE Group strives to implement standards in its business units that go well beyond this version of the guidelines. Corresponding progress will be stipulated in the Guidelines for Sustainable Business Practices and included in the dialogue with contract partners.

Despite the advisory nature of the Guidelines for Sustainable Business Practices, the REWE Group expressly reserves the right to impose penalties should a contract partner intentionally and grossly fail to observe the fundamental values outlined in the guidelines.
I RESPONSIBLE ACTION

The REWE Group conducts its business activities in a responsible manner and in compliance with respective legal regulations and other binding rules. The REWE Group’s binding Code of Conduct contains more precise standards in these terms, insofar as they have been approved. The following principles govern and guide the REWE Group and its business relationship with contract partners:

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.
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.

3. Responsibility for consumer interests, products and services
The 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.
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

The REWE Group respects human rights. The REWE Group creates fair and safe working conditions for its employees and treats its staff with respect. As a component of its sustainability management, the 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 the REWE Group and its business relationship with contract partners:

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. 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.

3. Fair treatment
We treat our employees with fairness and respect. For this reason, 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.
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.

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.

6. Working weeks and remuneration
We comply with the maximum amount of permissible work times set by respective national laws 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.

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.
The REWE Group conducts its business activities in an environmentally conscious and resource-conserving manner. As part of its sustainability management, the 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 the REWE Group and the company’s business relationship with its contract partners:

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.

2. Resource protection
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. 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).

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.

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.
The dialogue about sustainability that we conduct with our business partners is an important matter to us. If you have any suggestions or questions, please contact us at: sustainable-business@rewe-group.com