



CODE OF CONDUCT
WOOLWORTH[®]

Woolworth has always stood for diversity and fairness.

In our stores, we offer our customers an impressive and varied range of thousands of products at reasonable prices. As a company, we are aware that we can only offer this because of the many people around the world who guarantee the production and transportation of the goods.

We are grateful for this and we do our part to ensure that the working conditions in producing countries meet our high standards of fairness and justice.

To see what these requirements look like in detail, see the summary in this Code of Conduct. Every business partner seeking to work with us must pledge to comply with our requirements by signing this Code of Conduct. We will not tolerate any violations of this and will respond with appropriate action as necessary.

This is essential for us to operate sustainably and meet our responsibilities as a company.

Woolworth GmbH

Unna, Germany, 01.05.2022

Woolworth GmbH acknowledges its social responsibilities and is committed to implementing social standards and environmental requirements in its own field of business and supply chain. The supply chain includes all steps necessary, both in Germany and abroad, for the products and services of Woolworth GmbH, from extraction of raw materials all the way through to supplying the end customer. It not only covers our field of business, but also those of our direct and indirect suppliers. We strive to ensure that we and our business partners operate in a sustainable manner, with the objective of preventing or minimising human-rights and environmental risks, or rather bringing an end to the violation of obligations regarding human rights and the environment. In that respect, the present Code of Conduct provides the basis for this and establishes our requirements for our business partners. The Code of Conduct is based on the internationally recognised ILO Declaration on Fundamental Principles and Rights at Work, the Principles of the UN Global Compact, the OECD Guidelines and the Supply Chain Due Diligence Act passed by the German Federal Government in 2021. The requirements arising from this are obligatory for all of our business partners as minimum standards. We expect our business partners to also implement the requirements outlined in this Code of Conduct with respect to their own contractual partners.

Hereinafter, we will use the term "employee" to refer to everyone employed by Woolworth GmbH, regardless of whether they are self-employed, or employed permanently, temporarily or in any other form. We will also use this term to refer to the employees of our business partners. The term "business partner" refers to all companies with whom Woolworth GmbH is engaged in a business relationship.

IMPLEMENTATION

The requirements outlined here promote commercial activity which takes account of social responsibility. Woolworth GmbH will ensure the continuous, successful compliance with the requirements set out in this document and provide resources in the form of its own CSR department and the establishment of a complaints office. The objective of this is to promote compliance with corporate due diligence with regards to human rights, social standards and the environment within our own company and throughout our supply chain.

As part of our risk management, we regularly conduct risk analyses (once per year and when arranged in response to a changed or increased risk within the supply chain) to identify the environmental and human-rights-related risks in our field of business and among our business partners. The risks identified here are weighed up and prioritised as appropriate, and the result of the analysis is passed on to corporate decision-makers (Management Board). The Management Board will then initiate the necessary preventive and remedial measures.

We will regularly assess the effectiveness of the preventive measures taken in individual cases (once per year or in the event of significant changes or increases in risk in our field of business or our business partner's).

Woolworth GmbH expressly reserves the right to adjust its requirements for its business partners, even after the conclusion of the contract, depending on the results of the risk analysis and end business relationships in the event of serious violations of this Code of Conduct and/or applicable law.

We expect all of our business partners to allocate a resource of this nature, incorporate the following issues into a written policy, develop an internal monitoring system and conduct regular risk analyses. In principle, our business partners are required to demand transparency regarding their own supply chains and to be able to provide information on the preliminary stages upon request. In this respect, Woolworth GmbH expects all of its business partners to communicate about, and monitor compliance with, this Code of Conduct within their fields of business and among their business partners.

With your willingness to implement these requirements and take any necessary corrective measures, you help us to successfully implement sustainability in the supply chain.

We reserve the right to have our employees and/or authorised third parties conduct assessment of compliance with the requirements outlined here. We and external examiners and auditors are entitled to conduct auditing visits of any of our business partners' production facilities at any time and without prior notice.

Woolworth GmbH also expressly reserves the right to adjust its requirements for its business partners, even after the conclusion of the contract, depending on the results of the risk analysis and end business relationships in the event of serious violations of this Code of Conduct and/or applicable law.



HUMAN RIGHTS

We are committed to complying with internationally recognised social standards and promote humane work not only within our own company, but also among our business partners, with whom we are engaged in global business relationships.

To this end, the following bans and requirements must be observed by our business partners:

a) Ban on child labour

It is forbidden to employ children below the age at which compulsory schooling no longer applies according to the laws in the location of the employment. It is not permitted to employ anyone below 15 years of age (ILO Convention 138). The worst forms of child labour are forbidden for children (under 18 years of age). Children may not perform labour "which by its nature or the circumstances in which it is carried out is likely to jeopardise the health, safety or morals of young persons" (ILO Convention 182). Even more strictly forbidden are all forms of slavery or slavery-like practices such as the sale of children and child trafficking, debt bondage and servitude as well as forced or compulsory labour, including forced or compulsory recruitment of children for deployment in armed conflicts. Also forbidden is the use, procurement, or provision of a child for prostitution, production of pornography or pornographic performances, as well as the use, procurement, or provision of a child for prohibited activities, particularly the production and sale of drugs.

b) Ban on forced labour

Employing people in forced labour is prohibited. This ban includes any work or service which is demanded of a person under threat of punishment and for which they have not volunteered, for example as a result of debt bondage or human trafficking (the only exceptions are work or services which are compatible with the International Labour Organisation's Forced Labour Convention No. 29 of 28 June 1930 or with the International Covenant on Civil and Political Rights of 19 December 1966). This prohibits all forms of slavery, slavery-like practices, servitude or other exercises of power or oppression in the workplace environment, such as extreme economic or sexual exploitation and humiliation.

c) Ban on discrimination

Woolworth GmbH does not tolerate any discrimination on the basis of national, ethnic or social background, health status, disability, sexual orientation, age, gender, political beliefs or religion. People must receive equal remuneration for equivalent work. (ILO Conventions 100 and 111) All aspects must be based on the principle of equal opportunities.

d) Freedom of association

The right of all employees to establish worker representation organisations and/or become a member of them, as well as conduct collective negotiations, is recognised (ILO Conventions 87 and 98). Employees must not be discriminated against for joining or being a member of a worker representation organisation. Founding, joining or being a member of a worker representation organisation may not be used as grounds for retaliatory measures. (ILO Convention 135 and Recommendation 143). Trade unions are free to operate, strike and conduct collective negotiations as permitted by the relevant national regulations.

e) Ban on deployment of security forces

Private or public security forces may only be deployed to protect entrepreneurial projects if it can be ensured that they comply with the prohibition of torture and cruel, inhumane, or degrading treatment, do not harm life and limb and do not interfere with freedom of association through their deployment.



WORKING CONDITIONS

All forms of oppression and exercise of power in the workplace environment, such as economic or sexual exploitation or humiliation, are prohibited.

a) No violence in the workplace

We are committed to preservation of human rights and protection against all forms of violence. Business partners must provide a workplace that is free from inhumane practices (physical abuse or disciplining, sexual or other harassment, verbal abuse, intimidation or bullying) or the threat of such practices. The obligations afforded to employees in terms of labour and social law, created by the regular employment contract, must not be circumvented. Employment contracts must be entered into willingly. Employees must receive clear, written employment contracts in their respective local language. It is not permitted to demand surrender of money, documents, or other valuables as a deposit.

b) Working hours and wages

Working hours must be in line with legal provisions and customary industry standards. The regular working week is 48 hours on average, with an average workday of 8 hours. Overtime is always voluntary and must not exceed average values over a three-week period. It should not be demanded regularly and must comply with legal requirements in every case. Ideally, overtime should always be remunerated with an overtime bonus in addition to regular wages (ILO Convention 1). In addition, all employees are entitled to at least one day off after six consecutive workdays.

The wages from a normal working week must at least be equivalent to the statutory minimum wage or industry-standard minimum and must always be sufficient to meet the basic needs of the employees and their families, as well as providing a certain amount of disposable income. (ILO Conventions 26 and 131). Employees receive clear, comprehensible pay slips. Deductions are only permitted as a result of legal requirements. Wages earned by employees may not be withheld from them.

c) Management of employees

Younger employees should have access to education and training programmes. Management, supervisors and employees with managerial responsibility must have a humane management style and actively contribute to the development of employees.



SAFE AND HYGIENIC WORKING CONDITIONS

A safe, hygienic workplace environment in production facilities, and if relevant, a safe, hygienic living environment in the living areas provided for employees, must be ensured. This also includes access to clean drinking water and sanitary facilities.

We also demand optimal occupational safety and health protection based on the current, industry-specific knowledge around any specific hazards. The objective is to avoid accidents, injuries, and health risks during working hours or as a consequence of the work carried out. Therefore, all business partners must implement regulations to minimise accidents and health risks and protect against fires (based on ILO Convention 155). The workstations and equipment must comply with an adequate safety standard. Suitable measures must be taken to prevent health risks resulting from chemical, physical or biological materials. In addition, the work must be organised in such a way that the employees are not subject to excessive physical or mental exhaustion (especially due to unsuitable organisation of work in terms of working hours and breaks). Furthermore, employees must receive adequate education, training, and instruction for the work they perform. All business partners must comply with the occupational safety obligations applicable at the place of employment.



ENVIRONMENT

Sparing use of resources and environmental protection must be taken into consideration when conducting business activity. Harmful environmental influences, such as emissions into air, water, and soil, must be avoided or minimised. The use and continuous monitoring of environmentally friendly solution approaches must be assessed here.

It is prohibited to cause soil changes, water pollution, air pollution, harmful noise emissions or excessive water consumption which leads to others being adversely affected in their access to safe drinking water and sanitary facilities, in the production of food or in their health. Such emissions must not cause damage to the health of others.

It is also forbidden to take away people's livelihoods by means of unlawful eviction or unlawful dispossession of land, forests or waters.

Manufacturing products containing mercury in accordance with Art. 4 para. 1 and Annex A Part I of the Minamata Convention of 10.10.2013 (Federal Law Gazette (BGBl.) 2017 II p. 610, 611) is prohibited.

The use of mercury and mercury compounds in manufacturing processes, as defined in Art. 5 para. 2 of the Minamata Convention, is also prohibited from the phase-out date specified for the respective products and the processes in the Convention.

Treatment of mercury waste which contravenes the provisions of Art. 11 para. 3 of the Minamata Convention is prohibited.

The storage and disposal of chemicals, production waste, domestic waste and toxic substances must be carried out properly and at least comply with the applicable national laws. Prohibited activities include the non-environmentally sound handling, collection, storage and disposal of waste under the POPs Convention, and the export of hazardous waste under the Basel Convention, to a country that has prohibited the import of such waste or has not consented in writing to the import, or that does not manage such waste in an environmentally sound manner. The Basel Convention also prohibits the export of waste to a country, as well as the import into a country, that is not a signatory of the Convention, as well as the export from a country listed in the Basel Convention (Annex VII) into a country not listed therein.

The use of substances and chemicals which are hazardous to health and prohibited under national and international legal standards is strictly prohibited.

Furthermore, we recommend establishing an environmental management system for purposes such as documenting resource consumption, devising internal environmental targets and monitoring progress on site.



BUSINESS ETHICS

Trusting communication and a respectful approach, both internally and externally, are necessary for successful cooperation. We demand open behaviour that excludes all forms of corruption, bribery or exploitation. The relevant legal provisions on prevention of money laundering must be observed.

Benefits gained from any kind of exploitation or in return for preferential treatment of employees, between business partners or of public officials are not permitted.

In addition, fair competition in line with the applicable competition law provisions must be ensured. Agreements or actions restricting competition must be strictly refrained from. We expect decisions to be made on a factual, business-related basis. Conflicts of interest should be avoided and we must be made aware of any that exist. The two-person rule should be observed as strictly as possible when concluding contracts or agreements.

A high level of attentiveness is required when dealing with company property, third-party intellectual property and data for the protection of information security. Personal data must be treated as highly confidential and shall only be processed in compliance with the relevant requirements of data protection legislation.



Concerns relating to the successful implementation of our Code of Conduct, as well as any violations of legal provisions and our values/requirements, must be reported to us immediately by our business partners and their employees. For this purpose, we have established a point of contact where information can even be provided to us anonymously if desired.

In case of suspicion or complaints, please contact:

www.woolworth.de/reporting

Woolworth GmbH undertakes to comply with corporate due diligence, process every report and take the preventive, monitoring or remediation measures necessitated by the relevant situation. It will also develop a concept for the prevention, elimination or minimisation of human-rights or environmental risks or violations. We will of course treat all information as confidential. There is no danger of disadvantages being suffered as a result of submitting a complaint.