

REWE GROUP

Declaration of Principles

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I. FOREWORD BY THE REWE GROUP MANAGEMENT BOARD

As a leading international trade and tourism company, REWE Group¹ is aware of its responsibility within the global flow of goods and services. We can only be successful in the long term if the impact of our business activities and those of our suppliers is in compliance with people and the environment. Therefore, our goal is to support human rights and environmental due diligence and to prevent, minimise and remedy its violations. This commitment applies to our own business operations as well as to our global supply chains. As a cooperative company with almost 100 years of tradition, a commitment to respect human rights and environmental due diligence obligations means assuming responsibility for our actions and for the impact of our decisions on people and the environment throughout our entire supply and value chain. Values such as solidarity, companionship and sustainability are firmly embedded in our corporate culture. Our core business, trade and tourism, is directly and indirectly linked to the lives of millions of people every day. Therefore, it is important for us to take a clear stance and advocate for a society viable for the future.

II. REWE GROUP'S COMMITMENT TO RESPECT HUMAN RIGHTS AND THE ENVIRONMENT

REWE Group aligns its corporate actions with the following internationally applicable standards and guidelines in order to underscore the deep anchoring of human rights and environmental due diligence within its own business area and global supply chains and to make them tangible:

¹In this Declaration of Principles, REWE Group means all legal entities of REWE-ZENTRAL FINANZ eG.

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| Universal Declaration of Human Rights of the United Nations (UN) |
| United Nations Guiding Principles on Business and Human Rights (UNGPs) |
| Conventions and Recommendations of the International Labour Organization (ILO) on labour and social standards |
| Principles of the United Nations Global Compact (UNGC) |
| UN Convention on the Rights of the Child |
| UN Convention on the Elimination of All Forms of Discrimination Against Women |
| Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises; and |
| Priority Industry Principles on Forced Labour of the Consumer Goods Forum (CGF) |
| UN Women's Empowerment Principles |
| International Covenant on Civil and Political Rights of 19 December 1966 |
| International Covenant on Economic, Social and Cultural Rights of 19 December 1966 |
| Minamata Convention on Mercury of 10 October 2013 (Minamata Convention) |
| Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal of 22 March 1989 (Basel Convention) |

The implementation of the principles laid down therein and the protection of the legal positions emphasised by these conventions are embedded in the daily actions of all employees in many areas of REWE Group. REWE Group's approach to implementing human rights and environmental due diligence obligations also underscores this fact.

REWE Group expects all employees and suppliers to comply with applicable laws and regulations, as well as internationally recognised human rights and environmental standards.

REWE Group expects its own employees to comply with the guidelines set out in this Declaration of Principles as well as REWE Group's Code of Conduct in all of their daily decisions. REWE Group expects its risk suppliers to accept

and comply with the Supplier Code of Conduct. At the same time, they are requested to pass on this expectation to their own suppliers. REWE Group provides trainings to support its partners in recognising the need for action with regard to the Code of Conduct and in taking appropriate measures.

III. REWE GROUP'S APPROACH TO THE IMPLEMENTATION OF HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE OBLIGATIONS

Within the framework of the various business activities of an internationally active trade and tourism company, people at REWE Group and along its supply chains are exposed to various risks for human rights and environmental violations. A comprehensive and unified management of these risks helps to protect the reputation and credibility of REWE Group but above all to prevent or to minimise any violations of the human and environmental rights of potentially affected parties. In this way, REWE Group creates trust among its employees, business partners, suppliers and ultimately among its customers and contributes to fair cooperation.

REWE Group regards the management of risks for human rights and environmental violations as a continuous process which is firmly integrated as a regular feature of our operating procedures.

In order to manage risks within the supply chains and in its own business area, REWE Group has implemented a multi-stage process. It is aimed to systematically identify potentially adverse effects of both their own and their suppliers' business operations, and to implement preventive measures. The process as outlined in Chapters 3.1 to 3.5 forms the basis of REWE Group's holistic and continuous risk management with regard to human rights and environmental due diligence.

Extensive analyses of abstract and concrete risks help REWE Group to identify possible adverse impacts on human and environmental rights as well as potentially affected parties within its own business area and within the supply chains. REWE Group derives concrete priority risks from the findings and defines corresponding targets to prevent and minimise risks. Following the risk assessment and prioritisation, REWE Group takes appropriate preventive measures in its own business area and in the supply chains. Where possible, relevant stakeholders are involved and information from the grievance mechanism is used. All conducted activities are reviewed for their effectiveness and continuously developed further. The processes and results are documented accordingly and stored and are included in the annual reporting to the Federal Office of Economics and Export Control in accordance with Section 10 (2) LkSG.

3.1 Risk Analysis in the Supply Chains and in Our Own Business Area

REWE Group’s human rights and environmental risk analyses are intended to identify and assess the corresponding potential and actual impacts of its own business operations as well as the operations of its suppliers along the entire supply chains.

REWE Group therefore continuously examines where particular risks exist in its own business operations as well as in its supply chains, especially risks of violations of human rights and of environmental due diligence obligations. The risk analysis process, which is updated annually and on an event-related basis, helps REWE Group to identify and assess the relevant human rights and environmental risks. It takes place both for the company’s own business activities and for direct suppliers. In addition, this process is conducted for indirect suppliers of REWE Group in response to events that indicate a violation of human rights or environmental due diligence obligations (substantiated knowledge). Starting with an abstract consideration of risks, REWE Group identifies, in particular, industry-, raw material- and country-specific risks in its own business area and in the supply chains, taking vulnerable groups into account. In a second step, those suppliers and companies with a particularly high risk are further assessed in a concrete risk analysis, in which their specific risks and measures are examined with the help of individual questionnaires. The expertise and experience of the responsible employees, who are in

constant contact with the suppliers and civil society organisations, are included.

REWE Group analyses the impacts of its economic activities within its own business area and along the supply chains on human rights and environmental due diligence. The analyses include all legal positions that are protected by the above listed applicable conventions and laws and to which the Act on Corporate Due Diligence Obligations in Supply Chains explicitly refers. Taking into account statistical country and industry risks, REWE Group has identified child and forced labour, the withholding of appropriate wages, the disregard of occupational health and safety and freedom of association as particularly sensitive areas in its supply chains and in its own business area. REWE Group will publish deviating priority risks in the next revision of the Declaration of Principles.

The results of the risk analyses are continuously incorporated into REWE Group’s entrepreneurial decision-making processes with regard to internal business strategies as well as supplier selection and management. The risk analysis thereby forms the basis for the identification of appropriate targets, preventive and remedial measures.

3.2 Preventive Measures

For several years, REWE Group has been involved in concrete projects and measures to strengthen human rights, improve working conditions and promote fair trade.

The following REWE Group guidelines are important tools to make supply chains more sustainable. They form the binding framework for all employees and suppliers and define specific measures and goals:

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| REWE Group Code of Conduct |
| REWE Group Code of Conduct for Suppliers |
| REWE Group Guideline on Sustainable Business Practices |
| DER Touristik Group Code of Conduct for Suppliers |
| DER Touristik Group Policy Statement on Child Safeguarding |

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| REWE Group Guideline on Fairness |
| REWE Group Guideline on Living Wages and Incomes |
| REWE Group Guideline on Women in the Supply Chain |
| REWE Group Guideline on the Prevention of Child Labour |
| REWE Group Guideline on Water Protection in the Supply Chain |
| REWE Group Guideline on Fish and Seafood |
| REWE Group Guideline on Coffee |
| REWE Group Guideline on Cocoa Products |
| REWE Group Guideline on Juices |
| REWE Group Guideline on Palm Oil and Palm Kernel Oil Products |
| REWE Group Guideline on Organic Products |
| REWE Group Guideline on Soy in Animal Feed |
| REWE Group Guideline on Tea Products |
| REWE Group Guideline on Microplastics in Cosmetic Products |
| REWE Group Guideline on More Sustainable Textiles |
| REWE Group Guideline on Natural Stone Products |
| REWE Group Guideline on More Eco-Friendly Packaging |
| REWE Group Guideline on Circular Economy |

The management ensures the compliance with these guidelines as well as the consideration of human and environmental rights both in its own business operations and in purchasing decisions. On the basis of the risk analyses conducted, targets and measures are defined at appropriate points which are scrutinised and adapted when new results or findings emerge. Appropriate measures to achieve the goals and to minimise the priority risks are implemented on three different levels of cooperation:

Internal cooperation: REWE Group creates an understanding of human rights and environmental issues among its employees through guidelines, internal awareness-raising through training of employees, continuous monitoring of the suitability of goals and measures as well as regular review of its procurement and purchasing strategies. With the help of a regularly updated catalogue of measures, the aim is to prevent or minimise risks to human and environmental rights in the own business area and in every supplier decision. REWE Group plans regular risk-based reviews to ensure compliance with these measures.

Cooperation within the supply chain: REWE Group specifically addresses the risks that arise in the supply chain with regard to the area of action People and Environment through systematic supply chain management. This is characterised by close cooperation with suppliers and commitment at the production site and raw material production level, especially through its local procurement companies. In the field of supply chain management, REWE Group pursues a three-stage approach, which includes the definition of requirements, monitoring and the development of stakeholders. Risks to human and environmental rights are already taken into account in the selection of suppliers, with REWE Group attaching particular importance to the purchase of certified products. REWE Group's goal is to oblige all of its risk suppliers to comply with the Supplier Code of Conduct. Suppliers 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 suppliers' awareness and holding them accountable, concrete rules are created to implement human rights and measures for the protection of the environment throughout the supply chain. Training courses support suppliers and producers in implementing REWE Group's requirements and continuously improving their social and ecological service. For this purpose, REWE Group cooperates directly with producers of raw material in various projects. In addition, transparency and the integration of aspects of human and environmental rights are promoted as part of the supplier evaluation. REWE Group agrees various control mechanisms (e.g. rights to information, audits, certifications) with its suppliers to ensure the implementation of the requirements.

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.

As part of the further development of its human rights strategy, REWE Group examines where the increased involvement of rights-holders and potentially affected parties appears possible and appropriate.

At the same time, REWE Group is aware that respecting human rights and the implementation of fair working conditions also depend strongly on states taking and implementing effective regulations and measures with regard to human and environmental rights in order to fulfil their duty to protect.

3.3 Grievance Mechanism

An adequate and effective grievance mechanism is an integral part of REWE Group's human rights strategy. Grievance procedures ensure that people or groups who are affected or feel threatened by adverse impacts on human rights, or their representatives, raise their concerns. In this way, potentially adverse effects can be identified at an early stage and appropriate measures can be taken to put an end to infringements, to avoid them in the future and to take remedial action.

REWE Group has implemented a [grievance procedure](#) that allows employees and other potentially affected groups of people to report violations of human and environmental rights at any time. The [rules of procedure](#), which are publicly accessible, describe the reporting process for these topics. All reported grievances, indications and reasonable suspicions of possible human rights and environmental due diligence violations are dealt with as part of a process that is transparent, balanced and predictable for all parties involved. The confidentiality and anonymity of whistleblowers is respected. REWE Group ensures, as far as possible and within its sphere of influence, that whistleblowers are protected from discrimination and punishment in connection with the grievances submitted.

Irrespective of the way in which a grievance is received, it is documented and checked for admissibility. The grievance is then investigated – for example through discussions with suppliers, through on-site visits or in the form of interviews with the persons concerned, industry initiatives or NGOs. Based on these results, measures are developed, initiated and reviewed for their effectiveness. The systematic handling of grievances and the knowledge obtained from this enable REWE Group to continuously improve its human rights due diligence processes.

In addition to the grievance system of REWE Group, external grievance mechanisms are already in place. These are provided by parties outside the company, for example state institutions, trade unions, multi-stakeholder organisations, associations or other companies in the supply and value chain, and are intended to ensure that affected parties can address their grievances to another body if they cannot make progress within their own company. REWE Group is committed to promoting these grievance mechanisms.

3.4 Management of Violations

If REWE Group detects that its business activities contribute or are indirectly linked to potential or actual human rights violations, REWE Group endeavours to initiate appropriate remedial measures by the responsible parties. For this purpose, internal processes are being further developed that define the procedures when grievances are detected as well as appropriate remedial measures in REWE Group's own business area and at indirect and direct suppliers.

If REWE Group has a well-founded suspicion or concrete evidence of possible human rights violations in its own business area, it immediately takes measures to put an end to the violation or risk.

In the event a supplier has violated a human rights or environmental legal position, REWE Group will contact the supplier to jointly determine appropriate measures.

These range from the cessation of the behaviour causing the violation by the supplier, to preventive measures through training and audits, to working on an appropriate remedy, and must be implemented by the supplier as a prerequisite for further cooperation with REWE Group. REWE Group reserves the right to contractually oblige its suppliers to support the clarification of the facts and to fully cooperate within a reasonable time frame.

Depending on the severity of the violation, REWE Group provides for appropriate responses, ranging from the request for the immediate elimination of the violation to legal action and termination of the supplier relationship.

3.5 Effectiveness Monitoring

REWE Group monitors the effectiveness of implemented measures in its own business area and within its supply chains as part of an annual and event-based effectiveness review. A central focus is on priority risks as well as on the effects and goals of their measures. Based on the results, the exchange with external experts and stakeholders, suppliers and NGOs, as well as its risk analysis, REWE Group aims to continuously improve and develop its human rights and environmental management. Within REWE Group, it is also envisaged to conduct risk-based audits and employee surveys.

REWE Group likewise reviews the efficacy of its existing grievance mechanisms using the effectiveness criteria of UN Guiding Principles on Business and Human Rights once a year and on an ad hoc basis in the event of significant changes in the risk situation or concrete indications of restrictions in grievance management. REWE Group actively cooperates with industry initiatives in order to jointly develop and operate effective grievance procedures.

IV. RESPONSIBILITIES FOR HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE AT REWE GROUP

The REWE Group Management Board is ultimately responsible for the implementation of and compliance with the REWE Group Declaration of Principles on Human Rights. The executives monitor the operational implementation of the declared corporate principles in the sales lines of REWE Group. Regular and event-based internal reporting to these bodies on human rights-related results of the continuous risk analysis, information from

the grievance mechanisms and information on the effectiveness of remedial and preventive measures ensures informed decision-making. The monitoring of the risk management system and other tasks are the responsibility of REWE Group's central human rights officer. Among other things, this officer is responsible for the external reporting on human rights and environmental due diligence obligations and for the continuous review and improvement of the management of human rights and environmental due diligence. The operational implementation of the human rights and environmental due diligence processes is the responsibility of a central implementation unit for the LkSG and the relevant specialist departments, in particular the Central Compliance Department, Human Resources and Purchasing. These are supported by other specialist departments.

V. OUTLOOK AND REPORTING

REWE Group is aware of the fact that the implementation of human rights and environmental due diligence both in its own business operations and in its supply chains is an ongoing process. REWE Group accepts this challenge and regularly reviews its strategic approaches and measures with the aim of continuous improvement. REWE Group provides regular and transparent information on the implementation and strategic developments in its annual sustainability reports and in its publicly accessible LkSG report to the Federal Office of Economics and Export Control, which is published annually starting in 2024.



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