

## REWE Group Sustainability Report 2020

Dear  
Dear  
Ladies  
and  
Gentlemen,  
very  
dear  
Partner  
and  
friends  
of the  
REWE  
Group,

it was a highlight of our digital REWE Group Dialogue Forum in May 2021:  
Prof. Dr. Richard David Precht gave his keynote speech entitled "Opportunities and Challenges of Sustainability in Pandemic Times". And we were able to witness how the philosopher and publicist made a passionate plea for realistic optimism - as a prerequisite for facing the challenges that lie ahead of us. I was impressed by his concrete examples and especially his sentence: "Companies can show politicians what is possible."

We at REWE Group should understand this sentence as a mission and an incentive. In fact, it is fact, we have already been active in the past, both on our own and together, in sector initiatives and have shown politicians what is possible. Prominent examples are the Animal Welfare Initiative, our commitment against the killing of chicks, the elimination of plastic packaging plastic packaging and the reduction of sugar, salt and fat in our own-brand products. Most recently, we set an important example with our "Very Fair" chocolate at REWE and PENNY. set an important example. The cocoa for this private-label chocolate comes from a pioneering project with a project with a cooperative in Ghana, which aims to ensure a living wage in this part of the supply chain. income in this part of the supply chain. These are all key projects and initiatives

our core business in food retailing and are highly relevant to our customers.  
customers.

We do not want to and should not wait until regulatory and legal barriers always and everywhere prevent us from regulatory and legal guard rails point the way to a solution. I am of the opinion that we as have the responsibility and, above all, the innovative strength and the commitment to solve commitment to tackle ecological and social problems and develop solutions.

In this endeavor, we are certainly not perfect; we also make mistakes and sometimes take and sometimes take paths that, on closer examination, prove to be inappropriate. In our commitment to and sustainable agriculture in Germany and Europe, for example, we as a company are also called upon to become as a company to play an even greater role.

But out of conviction and responsibility, we have set out to become an increasingly sustainable company. more sustainable company. And we did so almost 15 years ago. We are on this

and more capable of learning and accepting criticism. And that's why we know: We will not reach a point where we can say "mission completed. Rather, sustainable management (and life) is an ongoing process with ever new challenges.

The Corona pandemic in particular has shown us how quickly supposed certainties and habits can be lost. As a company, the pandemic has challenged us in an unprecedented way. The unrestricted supply of high-quality, safe food to consumers safe food, especially during the initial lockdown, was a major effort for everyone involved. for everyone involved - especially for our employees in the stores and in logistics. and in logistics. In addition, the almost complete collapse of the tour operator market placed a heavy burden on the tour operator market placed a heavy burden on our DER Touristik Group.

I would like to express my special thanks to all employees of REWE Group in Germany and abroad, as well as to our as well as to our independent merchants, who - each in his or her own position - have shown great have ensured that our company has come through the crisis largely unscathed. through the crisis largely unscathed. And what is more: with our performance in food retailing and DIY store businesses, we have made a decisive contribution to "keeping the store running". kept the shop running". At the same time, the cohesion and solidarity within our cooperative group is stronger than ever.

What we have also sensed very clearly: The demand for more sustainable products has grown enormously in grown enormously during the pandemic. Healthy and balanced nutrition with organic and regional products and foods whose origin and processing are transparently recognizable as being

sustainable - for example, through our PRO PLANET label - has become very important to people. has become very important to people.

We know from our market research that the pandemic has strengthened consumers' need for sustainability and their orientation towards meaningful products. for sustainability and an orientation toward sensible consumption.

Looking beyond the current crisis, however, we must also note that despite Corona climate change and biodiversity loss remain the greatest threats. And they have a direct relevance to food production.

At REWE Group, we will again sharpen our focus with regard to our own climate target: We want to become climate neutral by 2040. This is - after the reduction of greenhouse gases that we have already greenhouse gas emissions we have already achieved, this is our new target as decided by the Management Board. target adopted by the Board of Management.

In the words of Richard David Precht, taking a positive view of the future does not mean being naïve. naivety, but focusing on the opportunities. We will continue to do this - in the new rules such as the Supply Chain Act, which I hope will not burden us with excessive bureaucracy. with excessive bureaucracy; as well as with new initiatives in the four pillars of our sustainability strategy: Green products; Energy, climate and environment; Employees; Social engagement.

I hope you find this report informative and interesting.  
Sustainability Report 2020!

Your Lionel Souque  
Chairman of the Management Board

REWE Group Sustainability Report 2020

## Green Products

Topic  
KPI

Training program for  
 better  
 working conditions  
 Percentage of strategically relevant  
 production sites involved in a  
 training program (Capacity  
 building)  
 Grievance mechanism  
 Introduction of a  
 grievance mechanism system  
 in relevant supply chains  
 Environmental program  
 Percentage of relevant food and  
 non-food producers that are  
 integrated in an environmental program  
 (REWE and PENNY in  
 Germany)  
 Packaging  
 Proportion of more environmentally friendly  
 private label packaging  
 Greenhouse gas emissions  
 in the supply chain  
 Absolute greenhouse gas emissions  
 in the supply chains of  
 private label products (REWE and  
 PENNY in Germany)  
 Sugar and salt content  
 Proportion of private label articles that  
 checked for sugar and salt content  
 were tested

Proportion of relevant\*  
Own-brand articles for which a  
sugar or salt reduction  
was implemented

Target

100% by the end of 2030

End 2025

100 % by the end of 2030

100% by the end of 2030

By the end of 2030  
Compared with 2019 by  
15 % reduction

100 % by the end of 2020

50 % by the end of 2020

Status  
Measures

See section Social  
Aspects  
in  
the  
Supply Chain

See section  
Ecological  
Aspects  
in  
the  
Supply Chain  
Packaging

See section  
Climate protection  
in  
the  
Supply chain

See section

Nutrition

In implementation  
Goal achieved

Target not achieved  
\*Not relevant are, for example, mono-products such as rice, potatoes or flour, and products that have no added sugar/salt, such as mineral waters, cooking oils, or vinegar.

Energy,  
Climate  
and  
Environment

Topic  
Greenhouse gas emissions  
at company level  
KPI  
Greenhouse gas emissions  
(CO<sub>2</sub>  
-equivalents) for  
Germany and  
Austria per  
square meter  
Sales area  
Refrigerant-related  
greenhouse gas emissions  
per square meter  
sales area (in kg  
CO<sub>2</sub>  
-equivalents/m<sup>2</sup>) in  
Germany and  
Austria  
Greenhouse gas emissions

at company level  
Electricity consumption  
Electricity consumption per  
square meter  
sales area (in  
kWh/m<sup>2</sup>) in Germany and Austria

Employees: inside

Topic  
KPI

Training rate  
Apprenticeship ratio (share of  
of trainees to  
total workforce in full  
time equivalent)  
Internal staffing  
Internal staffing of  
management positions  
Gender ratio  
Gender ratio in  
Management positions

Accidents  
Accidents per 1,000 Full  
Time Equivalents

Disability rate  
Disability rate by  
heads\*

Target

By 2022 compared to 2006  
Halve

Reduction by 35  
between 2012 and 2022

By 2030 compared to 2019  
reduce by 30

Climate neutrality by 2040

Reduction of 7.5  
between 2012 and 2022

Target

Maintain at 5.4 % by 2025

By 2025, increase to 80.0  
Increase

By 2025, achieve a  
balanced  
gender ratio in  
management positions  
Achieve

By 2025, reduce the number of  
46,5  
See section  
Accidents per 1,000 FTE on  
Occupational Safety  
and  
43.5 lower  
Health management

By 2025, at least  
the level of 3.0  
maintain\*

Status

-53,6 %

-46,7 %

No status, as  
new targets

-11,2 %

Status

5,3 %

72,4 %

45.6 % female  
54.4 % male

3,0 %

Measures

See section

Climate protection  
at  
Company level

See Energy section

Measures

See section Training and  
Training

See section Diversity  
and  
Equal Opportunity

See section Diversity  
and  
Equal Opportunity

\* The disability quota is calculated on a per capita basis and thus has a different calculation basis than the mandatory employment quota of severely disabled persons in accordance with Section 154 of the German Social Code IX (Germany). The calculation of the disability quota by headcount was chosen in order to be able to determine a uniform figure across all countries (Germany and Austria). The definition of people with disabilities is in accordance with Social Code (SGB) § 2 (Germany) and Disability Employment Act (BEinstG) (Austria).

Social  
Commitment

Topic

Key figure

Status

Measures

Share of long-term projects (> two years)

88 %

See section Projects  
and

Funding

Nutrition and physical activity

Number of children and adolescents reached (2020)

43.271

See section Projects  
and

Funding

Children and young people

Number of children and young people reached (2020)

12.580



See section Projects  
and  
Funding  
Conscious handling of  
Food  
Proportion of stores (REWE and PENNY in Germany and sales divisions in Austria) that cooperate with the  
food banks  
(2020)  
84 %

See section Projects  
and  
Funding  
Biodiversity and  
Environmental Protection  
Project amount (2020)  
3.432.500 Euro  
See sections Projects  
and  
Grants  
and Biodiversity

Focus raw materials  
and  
Products

Topic

Working conditions in the  
the supply chain

Bananas and pineapples

Cotton and

textiles  
Biodiversity measures  
in fruit and  
vegetable production

Eggs  
Fish  
Meat  
Key figure

Share of Tier 1 production sites  
in  
risk countries that are included in the  
Social Improvement  
program are integrated  
(REWE and PENNY in  
Germany)

Proportions of conventional bananas and pineapples from Rainforest Alliance-certified cultivation (REWE and PENNY in Germany)

Proportion of certified textiles from cotton according to Cotton made in Africa and GOTS REWE, PENNY and toom DIY store in Germany

hectares of planted and upgraded flower strips

Number of nesting boxes and nesting aids for birds and bats

Number of insect nesting aids

Share of private-label fresh produce Assortment with the seal of the Association for Food without genetic engineering e.V. (VLOG) at REWE and PENNY in Germany - Fresh egg Assortment

Share of REWE organic fresh eggs of the brand "Spitz & Jack".

Share of certified private label fish products in Germany according to MSC, GLOBALG.A.P., ASC or Organic Certification

Share of private label fish products with tracking Code

Fresh meat at REWE in assortment of the service counter at least to husbandry level 2

Private label-  
Fresh meat products (beef,

pork and poultry) at  
REWE and PENNY in  
Germany in the  
self-service assortment  
and in the assortment of the  
service counters to at least  
husbandry system level 2

Target  
Status  
Measures  
100 % by the end of 2020  
100 %  
See section Social  
Aspects  
in  
the  
Supply chain  
100 % by the end of 2016  
100 %  
See section  
Focus raw materials  
-  
Food  
100 % until 2025  
91 %  
See section  
Focus Raw Materials  
-  
Non-  
Food  
Continuous  
842  
See section  
Biodiversity  
Ongoing  
11.745  
Ongoing  
5.698  
100 %  
100 %  
See Animal Welfare section  
100 % until end of 2020  
100 %  
100 % until end of 2020  
70 %  
See section  
Focus raw materials  
-  
Food  
and Guideline  
Fish  
and  
Seafood  
Ongoing  
63 %

50 % until end of 2021

See animal welfare section

100 % until end of 2025

In progress

Target achieved

Target not achieved

Own brands-100 % by the end of 2030

Fresh meat items (beef,

wood and paper

pork and poultry) at  
REWE and PENNY in  
Germany in the  
self-service assortment  
and in the assortment of the  
service counters to at least  
level 3 and level  
level 4

Share of  
of poultry products at  
REWE and PENNY in  
Germany in  
self-service assortment  
and in the assortment of the  
service counter with  
Holding level 3 and  
level 4

Poultry meat assortment at  
REWE and PENNY in  
Germany in the  
self-service assortment  
as well as in the assortment of the

service counter with  
Holding level 3 and  
level 4

Sausage assortment at REWE and  
PENNY (beef, pork and poultry) in  
poultry) in Germany in the  
self-service range  
to farming method level 2  
convert

Proportion of certified wood and  
paper products according to Blue  
Angel, FSC Recycled, PEFC  
Recycled, FSC 100%, PEFC™  
or FSC Mix in the area of  
Near-Food at REWE and  
PENNY in Germany

Proportion of certified wood and  
paper products according to the Blue  
Angel, FSC Recycled, PEFC  
Recycled, FSC 100%, PEFC™  
or FSC Mix in the non-food sector at  
food at REWE and PENNY in  
Germany

Coffee  
Share of certified coffee  
private label products according to  
Rainforest Alliance / UTZ, organic  
or Fairtrade at REWE and  
PENNY in Germany

Cocoa  
Share of certified  
private label products in  
Germany that contain cocoa  
according to the Fairtrade,  
Fairtrade Sourcing Program,  
Rainforest Alliance / UTZ

Share of certified  
Own-brand products in Austria that contain cocoa  
contain, according to Fairtrade,  
Fairtrade Sourcing Program,  
Rainforest Alliance / UTZ

Doubling by the end of

2023

At least 20 % by the end of

2026

50 % by the end of 2025

100 % until 2020

100 %

See section

Focus raw materials

-

Non-

Food

100 % by 2025

99 %

100 % by the end of 2020

100 %

See section

Focus raw materials

-

Food

and guidelines

Coffee

100 % by the end of 2020

98 %

See section

Focus raw materials

-

Food

and Guideline

for

Cocoa products

100 % by the end of 2015

100 %

In progress

Target achieved

Target not achieved

Cosmetic products

Share of certified

Private label-

Chocolate articles and

instant cocoa, nut nougat

spreads and

and sweet pastries, as well as all

private labels with  
cocoa ingredients at REWE  
and PENNY in Germany  
according to the Fairtrade or Fairtrade  
Sourcing Program  
Share of cosmetic products  
of the private labels of REWE  
and PENNY in Germany,  
in whose formulation  
microplastics in accordance with the  
defined in the guideline  
Group understanding defined in the guideline  
is

100 % by the end of 2015

100 % by the end of 2020

100 %

100 %

See section Water

and Guideline

Microplastics

in

Cosmetic products

Nordmann firs

Proportion of Nordmann firs from

fair cultivation "Fair Trees" at

toom DIY store in

Germany

100 %

See section

Focus raw materials

-

Non-

Food

Orange juice

Share of certified

Private label orange juice

according to Fairtrade, Naturland,

Rainforest Alliance, EU organic

seal and organic label at

REWE and PENNY in

Germany

100 % by the end of 2025

100 %

See section

Focus raw materials

-

Food

and Guideline

Orange juice

Palm (kernel) oil

Soy as animal feed

Share of RSPO-certified

palm (kernel) oil in

Private label products(Germany and Austria)

Share of fresh milk and UHT milk

Private label products

with the seal of the Association

for foodstuffs without

Genetic Engineering e.V. (VLOG) at

REWE and PENNY in

Germany

100 %  
100 %  
100 %  
100 %  
See section  
Focus raw materials

-  
Food  
and Guideline  
Palm oil  
See section  
Focus Raw Materials

-  
Food  
Tea  
Proportion of certified  
black and green tea  
Private label products with 100  
percent certified raw material  
according to Rainforest Alliance,  
Fairtrade or organic at REWE  
and PENNY in Germany  
100 % by the end of 2018  
100 %  
See section  
Focus Raw Materials

-  
Food  
and Guideline  
Tea  
Peat-free soil  
Proportion of certified  
Herbal tea and fruit tea  
Private label articles with  
at least 30 percent  
certified raw material according to  
Rainforest Alliance, Fairtrade  
or organic at REWE and  
PENNY in Germany  
No use of peaty soils  
for private labels and  
brand products at toom  
DIY store in Germany  
100 % by the end of 2025  
100 % by 2025  
93 %

See section  
Focus raw materials

-  
Non-  
Food

In implementation  
Goal achieved

Target not reached



Packaging  
Share of PET packaging  
100% by 2021  
See section

in the area of washing, cleaning and  
Packaging and  
Detergents made from recycled material  
Guideline  
for  
(where possible at least 20  
more environmentally friendly  
percent recyclate from  
packaging  
yellow bag)

25 percent recyclate content in the  
100 percent by the beginning of 2025

Average for all PET  
beverage bottles

Percentage of plastic in  
Reduction by 20 % by

Private label packaging  
End of 2025  
(REWE and PENNY in  
Germany)

Share of recyclable  
100 % by the end of 2025

Private label packaging  
(REWE and PENNY in  
Germany)

In implementation  
Target achieved

Target not achieved

REWE Group Sustainability Report 2020  
REWE Group Portrait

GRI

102-1:

Name

of

Organization

GRI

102-3:

Headquarters

of the

Organization

GRI

102-5:

Ownership structure

and

legal form

Corporate structure

The cooperative REWE Group is an internationally active group of companies in the fields of trading and travel and tourism sector. REWE (Auditing Association of Western Buying Cooperatives) was founded in 1927 by 17 purchasing cooperatives. REWE Group is proud of its cooperative roots. The Supervisory Board, shareholders, merchants and Management Board of the REWE Group are committed to the long-term cooperative structure as a guarantee for independence and self-determination.

guarantee for independence and self-determination. In 2007, this commitment was reaffirmed in the Travemünde Declaration. Since its foundation, the headquarters of REWE Group has been located in Cologne.

Together with its subsidiaries, REWE-ZENTRALFINANZ eG, Cologne, (RZF) forms the subsidiaries form the RZF Group and, together with the cooperatively organized independent the REWE Group.

As of December 31, 2020, the Group comprised 275 (previous year:

266)

domestic and 171 (previous year: 149) foreign subsidiaries.

With effect from May 1, 2019, RZF took over all but eight shares of the

restricted shares held by the shareholders of REWE - Zentral-Aktiengesellschaft, Cologne (RZAG). After the

acquisition of the remaining eight shares, RZF has held all shares in RZAG since June 17, 2020.

RZAG.

GRI

102-2:

Activities,

brands,

Products

and

Services

GRI  
102-4:  
Operating sites  
GRI  
102-6:  
Supplied  
Markets  
GRI  
102-7:  
Size  
of the  
Organization  
GRI  
102-10:  
Significant  
Changes  
in  
the  
Organization  
and  
its  
supply chain

markets  
and  
countries  
with  
Business focus

In 2020, REWE Group was present in 22 European countries with around 384,000 employees (previous year: 363,633). employees. The total external turnover achieved in 2020 increased to 75.3 billion billion euros (previous year: 62.7 billion euros). In its home market of Germany, the REWE Group employed 282,000 people (previous year: 260,179). The number of employees abroad was 102,000 (previous year: 103,454).

The Group is active in various business areas, which are subdivided into divisions and segments. and segments:

The Trading Germany business area comprises the REWE, PENNY Germany and Trading Germany central companies.

The REWE division is active in both retail and wholesale. Thus, under the brands REWE and REWE CENTER brands, 1,722 supermarkets and hypermarkets are operated. In the 2,653 REWE and REWE Dortmund partners as well as nahkauf stores and other large customers are and other large customers. REWE is also active in the online business via the REWE delivery and parcel service at REWE.de.

REWE is also active in the online business. The retail turnover of REWE stores together

with the wholesale turnover of the merchants and other partners increased in 2020 from 23.6 billion euros by 12.3 per cent to 26.5 billion euros.

The PENNY Germany division operates 2,150 discount stores under the PENNY sales brand. discount stores are operated. In 2020, PENNY Germany achieved sales growth of 5.4 percent, thus achieving external sales of 8 billion euros for the first time.

The Trading Germany Central Companies division includes the domestic real estate companies, the production and distribution of bakery products under the brand name Glocken Bäckerei brand and the production of meat and sausage products under the Wilhelm Brandenburg, domestic and foreign merchandise companies as well as online trading (ZooRoyal and Weinfreunde) and e-commerce services (REWE Digital).

The International Retailing business area comprises the divisions Full-Range Austria, Full-Range Stores CEE and PENNY International. In the full-range stores in Austria and CEE, a total of 2,892 supermarkets and hypermarkets are operated at a total of 2,892 locations. In Austria stores are operated under the BILLA, MERKUR (from April 2021 BILLA Plus) and ADEG brands. In the wholesale business, 358 ADEG partner stores are also supplied. With the BILLA supermarket format, Handel International is also represented in Bulgaria, Russia, Slovakia and the Czech Republic. In addition, drugstores are also operated in Croatia and Austria under the BIPA brand. In Lithuania, supermarkets are operated under the IKI brand.

In the International Full-Range Stores segment, REWE Group disposed of its stores in Ukraine in the 2020 business year. markets in Ukraine and now operates supermarket and drugstore activities in Austria, Czech Republic, Slovakia, Russia, Bulgaria, Croatia and Lithuania. Sales increased by 2.4 per cent from 10.1 billion euros (3.6 per cent adjusted for exchange rate effects) to 10.4 billion euros. The full-range Austria business with BILLA, BIPA, MERKUR and ADEG generated sales growth of 4.3 percent to 6.8 billion euros.

The PENNY International division operates the PENNY MARKT and PENNY MARKET brands at a total of 1,588 locations in Italy, Austria, Romania, the Czech Republic and Hungary. In the Discount International division, PENNY achieved dynamic growth and increased its turnover from 5.1 billion euros by 8.3 per cent (adjusted for exchange rate effects by 11 per cent) to 5.5 billion euros.

As part of the acquisition of the Lekkerland Group with effect from January 1, 2020, the new Convenience business unit was formed. It comprises the divisions Convenience Germany,

Convenience International and Convenience Central Companies. In the divisions Convenience Germany, which also includes REWE To Go, which was part of the Retail Germany business unit until December 31, 2019.

Germany business area until December 31, 2019 - where 17 stores are operated - and Convenience International business units supply, among others, gas station stores, department stores, food and beverage stores, fast-food chains, kiosks, canteens, bakeries and other providers of convenient on-the-go convenient enjoyment on-the-go. In total, more than 85,700 outlets are supplied. In addition to Germany and the Netherlands, Lekkerland is also active in Belgium, Luxembourg and Spain under the name Conway. The Convenience Central Companies division brings together central central services and IT services are combined in the Convenience Central Companies division. In the new business unit Convenience with the national and international activities of the Lekkerland Group in Germany, the Netherlands, Belgium and Spain, generated total external sales of 13.1 billion euros. billion euros were generated. This figure includes the REWE To Go segment for the first time. is included.

The Travel and Tourism business segment is divided into the divisions Travel and Tourism Central Europe, Travel and Tourism

Northern Europe, Tourism Eastern Europe, Tourism Destinations and Tourism Headquarters. Under the DER Touristik umbrella brand, it comprises a large number of tour operators, travel distributors (travel agency chains, franchise distributors and online portals) as well as incoming agencies and hotels. DER Touristik is active in the source markets of Germany, Austria, Switzerland, Eastern Europe and, with the

Eastern Europe and, with the Kuoni units, also in Scandinavia, Finland, France, Great Britain and the Benelux countries. Touristik operates primarily under the brands Apollo, Calimera, DER.COM, DER Reisebüro, DERPART, DERTOUR, EXIM Tours, FISCHER Group, Helvetic Tours, ITS, Jahn Reisen, Kuoni, Meier's Weltreisen and Sentido. In total, the tourism division has 809 travel agencies. In addition, 583 sales outlets are operated by franchisees.

Due to the Covid 19 pandemic, consolidated sales in the tourism business decreased from tourism business decreased by 73.9 percent from 5 billion euros in 2019 to 1.3 billion euros in 2020.

The DIY store business operates 281 stores in Germany under the toom Baumarkt and B1 Discount Baumarkt brands, operates 281 stores. As part of its wholesale business, it also operates 37 partner stores and franchisees are also supplied. In the DIY business with, among others, toom Baumarkt, sales rose by 19.9 percent from 2.2 billion euros to 2.7 billion euros.

The Other business area mainly includes central services provided by the parent company and various services provided by the parent company and various subsidiaries to Group companies and third parties. and third parties. These are mainly procurement functions (goods wholesaling and warehousing)

(wholesale and warehousing), central settlements, del credere acceptance, IT services, Energy Trading (EHA) as well as the coordination of cross-Group advertising activities.

REWE Group Sustainability Report 2020  
Employee StructureEmployee Structure  
GRI  
102-8:

Information  
on  
employees  
and  
other  
employees

The total number of employees in the REWE Group in Germany and Austria including the (scope of the Sustainability Report) increased from around 244,000 in 2019 to around 264,000 in 2020. (2019) to around 264,000 (2020). In total, REWE Group currently employs around

384,000 employees across Europe.

The scope also includes approximately 69,000 employees of the independent REWE-retailers. The independent REWE retailers predominantly operate their stores in the REWE partnership model.

partnership model. Here, REWE and the merchant jointly establish a general partnership (oHG). partnership (oHG). The key figures include all merchants that can be recorded via a central

central accounting system - this is around 95 per cent.

The scope does not include the other foreign companies of REWE Group, non-Group national and international companies, independent retailers, REWE Dortmund SE, akzenta, REWE Spedition und Logistik GmbH and the small companies ZooRoyal, Eurogroup in Germany and ADEG and Sutterlüty in Austria.

The proportion of trainees in the workforce in Germany and Austria has been relatively constant for years. relatively constant for years. In 2020, the proportion was 3.7 percent. The proportion of part-time employees (excluding employees (GfB) and apprentices) was around 41.2 percent in the reporting period. percent. The share of permanent employees was around 87.4 percent in 2020.

Typically, all new employment contracts in Austria are fixed-term. These country-specific so-called "terminations" are included in the number of fixed-term employment contracts.

Employees:inside  
according to  
employment contract  
according to  
Gender  
and  
Region

Germany

Temporary  
2018  
(no  
specification)  
-  
2018  
(various)  
-  
2018  
(female)  
15838  
2018  
(male)  
13633  
2018  
(total)  
29471  
2019  
(no  
indication)  
0  
2019  
(miscellaneous)  
0  
2019  
(female)  
12920  
2019

(male)  
11552  
2019  
(total)  
24472  
2020  
(no  
Indication  
Indefinite  
--107667  
51318  
158985  
0  
1  
117151  
58736  
175888  
1  
Austria  
Limited  
2018  
(no  
specification)  
-  
2018  
(various)  
-  
2018  
(female)  
2981  
2018  
(male)  
1171  
2018  
(total)  
4152  
2019  
(no  
indication)  
0  
2019  
(miscellaneous)  
0  
2019  
(female)  
2702  
2019  
(male)  
1149  
2019  
(total)  
3851  
2020  
(no  
Specify  
Indefinite  
--29102  
10157  
39259  
0  
0

29777  
10424  
40201  
All regions  
Temporary  
2018  
(no  
specification)  
-  
2018  
(various)  
-  
2018  
(female)  
18819  
2018  
(male)  
14802  
2018  
(total)  
33623  
2019  
(no  
indication)  
0  
2019  
(miscellaneous)  
0  
2019  
(female)  
15622  
2019  
(male)  
12699  
2019  
(total)  
28321  
2020  
(no  
Specify  
Indefinite  
--136769  
61477  
198240  
0  
1  
146928  
69162  
216091  
1

Employees:inside  
according to  
employment type  
and  
Gender



Female

Full-time  
Part-time  
Trainee  
GfB  
Full-time  
part time  
Trainee  
GfB  
Full time  
part time  
Trainee  
GfB  
Full time  
part time  
Trainee  
GfB  
Full-time  
2018  
36232  
86787  
4126  
28443  
2019  
37310  
91165  
4487  
29588  
2020  
39988  
94004  
4611  
33273  
Male  
2018  
44280  
10910  
4361  
16728  
2019  
46183  
12453  
4862  
18363  
2020  
50575  
14869  
5238  
21812  
Divers  
2018  
-  
-  
-  
-  
2019  
0  
0  
0

1  
2020  
1  
1  
0  
1  
No data  
2018  
-  
-  
-  
-  
2019  
0  
0  
0  
0  
2020  
3  
16  
0  
0  
Total  
2018  
80512  
97679  
8487  
45171  
2019  
83493  
103618  
9349  
47952  
2020  
90567  
108890  
9849  
55086

Part-time  
Trainee  
GfB

Percentage  
Breakdown  
of the  
employees:inside  
according to  
Business segments

2018

Trading Germany  
163949\*

International Trade  
43366

DIY store  
15453

Tourism  
5133

Convenience  
437

Other  
3529\*

2019

Retail Germany  
176535

International Trade  
44006

Home improvement store  
15407

Tourism  
4337

Convenience  
527

Other  
3600

2020

Trade Germany  
191718

International trade  
44499

DIY store  
17227

Tourism

Convenience  
3237

Other

\* GRI 102-48: Due to changes in classification in the areas of Retail Germany and Other, the figures differ from those in the previous year's report.

previous year's report.

GRI

102-41:

## Collective agreements

At the reporting date of December 31, 2020, 192,350 of the 195,762 employees of the Group company (excluding the employees of the self-employed REWE retailers in the partnership model) were covered by collective bargaining agreements and/or company agreements. This corresponds to a coverage of 98.3 per cent. In relation to the scope of the sustainability report, including the independent retailers, 72.8 per cent of the employees were covered by collective agreements and/or works agreements. The REWE merchants are independent companies with the legal form of a general partnership (oHG). trading company (oHG). As a rule, collective bargaining agreements are concluded when a company joins an employers' association. Joining is the autonomous decision of the independent REWE merchants. The merchants must commit themselves vis-à-vis REWE Group to minimum standards in personnel matters. Of course this includes compliance with all laws, e.g. concerning the minimum wage.

REWE Group Sustainability Report 2020

Supply ChainSupply Chain

GRI

102-9:

## Supply Chain

As a trading and travel and tourism company, REWE Group procures its products and services through a large number of suppliers and from a wide variety of supply chains. Particularly in the supply chain stages of raw material cultivation and processing, there is an increased risk of disregard for labor and social standards. disregard of labor and social standards as well as negative environmental effects. environmental effects. They are therefore the focus of REWE Group's activities.

The Covid 19 pandemic has presented challenges to actors in various supply chains. challenges. As a food supplier, REWE Group is part of the so-called "critical infrastructures" (CRITIS). infrastructures" (CRITIS). In a constant dialog with suppliers and business partners along the supply supply chains, REWE Group has succeeded in ensuring the supply of goods even in times of a pandemic periods, REWE Group has succeeded in maintaining the supply of goods to the population and in the health of employees and customers by means of a wide range of protective measures. customers.

In its Declaration of Principles Human Rights, REWE Group commits itself to protecting the human its own business activities as well as in its global supply chains and to prevent human rights and to prevent human rights violations. In order to ensure ecological and social standards standards, especially in cultivation and processing, REWE Group sources certified raw materials for its own certified raw materials for its own brands and defines a binding framework for business binding framework for business relations with contractual partners in the supply chains. supply chains.

REWE Group presents basic approaches, measures and goals with regard to the supply chain in the following sections in particular in the sections Social Aspects in the Supply Chain and Ecological aspects in the supply chain.

A selection of particularly relevant supply chains is presented in this Sustainability Report in the form of an interactive supply chain in this Sustainability Report.

Background information on REWE Group's sustainability commitment in its supply chains is reported in reported in the following sections:

Management Approach Green Products

- 

Biodiversity

- 

Livelihoods Wages and Income

- 

Focus raw materials - Food



Focus Raw Materials  
-  
Non-Food



Women  
in  
the  
Supply Chain



Children and  
Forced Labor



Climate protection  
in  
the  
Supply chain



Ecological  
aspects  
of the  
Supply Chain



Product-related  
Risk analyses



Social  
Aspects  
in  
the  
Supply Chain



Animal welfare

•

Water

REWE Group Sustainability Report 2020

Risk ManagementRisk Management

REWE Group strives to reconcile the economic, ecological and social impacts of its of its actions wherever possible. To this end, it continuously reviews its own performance and progress on an ongoing basis. It reflects on conflicting goals both with experts within the company and with external with experts within the company as well as with external stakeholders.

GRI

102-11:

Pension approach

or

Precautionary Principle

As an internationally active trading and travel and tourism company, REWE Group is exposed to various economic

business activities, REWE Group is exposed to various economic risks such as logistical risks risks, price trends, changes in legislation and regulations, some of which have short response times. reaction times. Uniform risk management successfully counters this potential risks successfully and secures sustainable opportunities. The management and supervisory and supervisory bodies are informed of the Group's current risk situation in a standardized form. form. For this purpose, the risk managers report relevant individual risks from the risk areas relevant individual risks from the risk areas. Risks with similar content and causes are are then aggregated into risk types at the Group level and classified according to their for the business activities, financial and earnings position, cash flows and reputation of REWE Group. REWE Group's reputation as high, medium or low.

For further information on risk management, please also refer to the Group Management Report

for

the

business year

2020, page 33-41.

Analysis

of the

social

and

environmental

risks

in

the

supply chains

In order to specifically implement the topic of sustainability in the area of supply chains, REWE Group in Germany works with a due diligence approach that is based on the OECD Guidelines for Responsible responsible agricultural supply chains. The process comprises five stages: Risk analysis, derivation of focal points and targets, measures, definition and implementation of measures, monitoring and reporting. For more information on the analysis of social and environmental risks in the supply chains, see the section Product-related risk analyses.

## REWE Group Sustainability Report 2020

### Industry initiatives and memberships

In line with its conviction to promote sustainability and get out of the niche, REWE Group supports numerous initiatives and organizations for sustainable action, environmental and animal protection, conscious nutrition and social issues.

### GRI

102-12,  
102-13:

Overview  
via  
the  
Memberships  
and  
initiatives  
of the  
REWE  
Group

Many sustainability challenges require approaches that change entire sectors in the long term. change. For this reason, REWE Group is involved in industry initiatives and, in some cases, initiates them initiatives and in some cases initiates them itself. The goal of these multi-stakeholder approaches is to bring together as many cooperation and exchange of experience, and to jointly find approaches for lasting positive positive developments in the long term.

REWE Group is active in the following sustainability-related initiatives, among others:

5 a day: As a founding member and member of the Board of Directors of the "5 a day" association REWE Group supports the goal of increasing the consumption of vegetables and fruit to five portions per day and to promote a healthy diet for children. Together with other sponsors, including the German Nutrition Society (DGE), the company has been committed to has been working since 2000 to increase the consumption of fruit and vegetables.

Aktion Mensch e.V.: This initiative is committed to an inclusive society and supports social projects and campaigns. social development projects and campaigns. REWE Group cooperates with the initiative in a variety of projects



initiative in various projects - for example, in the construction of inclusive playgrounds.

amfori Business Environmental Performance Initiative (amfori BEPI): The amfori BEPI supports companies to improve their environmental performance in global supply chains.

amfori Business Social Compliance Initiative (amfori BSCI): As a member, the REWE Group itself, as well as all suppliers and producers, is committed to complying with the amfori BSCI. REWE Group is actively represented in working groups in order to help shape the further development.

Working Group of Ecologically Committed Food Retailers and Druggists (ÖLD): The ÖLD is an association of companies in the food trade and drugstores that offer a wide range of ecological products.

offer a wide range of organic products in their assortment. The members aim to further develop this segment, to support organic farming and to publicly organic farming and also to become publicly involved in nutrition issues.

ARGE Gentechnik-frei: The Working Group for Genetically Modified-Free Food is an independent platform, supported by companies from the food trade, food production food production, the animal feed industry and agriculture, as well as by organizations and associations from the fields of environmental protection, consumer protection, agriculture and science. Since 1997, the ARGE Gentechnik-frei has been awarding the control mark "Produced without genetic engineering" in Austria since 1997. The platform represents around 220 farms that carry the control mark. The REWE Group in Austria is a co-founder and has a mandate in the board of "ARGE Gentechnik-frei", which acts on an honorary basis.

Aquaculture Stewardship Council (ASC): The fish seal of approval promotes more environmentally friendly aquaculture

aquacultures and recognizes responsibly farmed fish and seafood.

fish and seafood. There is constant exchange and cooperation between the Council and REWE Group. continuous cooperation.

Federal German Working Group for Environmentally Conscious Management e.V. (B.A.U.M.): The corporate network for sustainable business management combines economic, ecological and social issues with each other. As a member, REWE Group, together with the other companies, REWE Group is pursuing the goal of raising awareness of the vision of sustainable of sustainable management and to support the ecologically effective, economically sensible and sensible and socially just realization.

Berufsgenossenschaft Handel und Warenlogistik (BGHW): The carrier of the statutory accident insurance for trade and merchandise logistics supports the REWE Group through targeted prevention of occupational accidents and diseases.

Biodiversity in Good Company: In this cross-industry alliance, companies are companies are jointly committed to the protection and sustainable use of global biodiversity. biodiversity. Within the framework of the initiative, REWE Group has committed itself to the protection and sustainable use of biodiversity into the company's sustainability management. sustainability management.

Federation of the Organic Food Industry (BÖLW): The BÖLW is the umbrella organization of

producers, processors and traders of organic food in Germany. Germany. Its goal is to ensure that the ecological, economic and social achievements of the organic food of the organic food industry are appropriately perceived in politics and society. society. REWE Group is a member of the alliance within the framework of the Arbeitsgemeinschaft Ökologisch committed food retailers and druggists in 2017.

Alliance for Sustainable Textiles: The alliance is a partnership of different stakeholders to achieve improvements along the global value chain in the textile industry. enforce improvements along the global value chain. By joining in 2015, REWE Group committed itself to improving the ecological, social and economic conditions in international textile supply chains. sustainably. In 2021, REWE Group will once again develop a roadmap that will pay the alliance's goals.

Diversity Charter: The Diversity Charter is an employer initiative to promote diversity in companies and institutions. At its core is a voluntary commitment by companies to diversity management. REWE Group signed the Diversity Charter in 2017. signed.

Competitive Cashew Initiative (ComCashew): ComCashew aims to improve the competitiveness of the cashew value chain in selected African countries. competitiveness of the cashew value chain in selected African countries. to increase. The initiative supports producers in Benin, Burkina Faso, Côte d'Ivoire, Mozambique and Ghana to increase their yields and the quality of their nuts. More than 100 public and private partners have joined forces in the initiative, and other partners include research institutes. Partners are research institutes. REWE Group joined the initiative's board in 2019.

Consumer Goods Forum: The organization aims to help retailers and consumer goods manufacturers to work with other key stakeholders to secure the trust of consumers and to create positive

consumers' trust and drive positive change under the motto "Better Lives through Better Business". REWE Group participates as a member of the Consumer Goods Forum, participates in the Board of Directors and is actively involved in a working group on plastic. a working group on the topic of plastics.

Consumer Insight Action Panel - "Club for Sustainable Packaging": The "Club for Sustainable Plastic Packaging" was launched in 2019 as part of the EU-wide "Consumer Insight Action Panel" project by the Collaborating Centre for Sustainable Consumption and Production (CSCP) together with other stakeholders. In addition to REWE Group industry, system gastronomy, packaging, collection and recycling as well as non-governmental organizations (NGOs). collection and recycling as well as non-governmental organizations (NGOs) and research institutes. The objective is to focus on consumer behavior to accelerate the transition to a circular economy in the area of packaging. packaging. The club is supported by the Deutsche Bundesstiftung Environment (DBU).

Cotton made in Africa: This initiative was launched with the aim of improving the living conditions of the people in the African cotton growing regions. REWE Group has supported the initiative since 2008 and is a member of the board of Cotton made in

Africa.

CSR Fruit Juice Platform: The platform drives social and environmental improvements in the fruit juice supply chains of the fruit juice industry. It was set up to support European fruit juice producers to integrate CSR measures into their business strategies and thus make a long-term sustainable contribution along the global fruit juice value chain of fruit juices for all stakeholders. REWE Group has been a member of the CSR Fruit Juice Platform since 2016 and actively participates in a working group on orange juice from Brazil. From 2017 to 2021, REWE Group was also a member of the Steering Committee.

Demeter e.V.: The organic association is the oldest organic association in Germany. Demeter producers and -producers work according to biodynamic farming methods and guidelines that go far beyond the requirements of the EU organic regulation. In order to promote organic farming throughout Germany and agricultural structures in the region, the sales division REWE joined the organic association Demeter in September 2020.

Demographie Netzwerk e.V.: As part of its membership in the Demography Network Since 2006, REWE Group has been committed to a non-discriminatory, age-neutral human resources policy, a balanced

age-neutral human resources policy, a balanced age structure of the workforce, holistic health promotion and to the transfer of knowledge between the generations. In twelve working and The network develops new knowledge and facilitates the exchange of existing know-how. existing know-how - with the aim of responding to the economic, social and technological changes and technological changes and the associated challenges in the network with other companies and organizations. other companies and organizations.

Detox campaign: As part of Greenpeace's Detox campaign, companies have pledged to committed to reducing the use of hazardous chemicals in textile production. With progress report, the companies disclose their developments and data. The REWE Group joined the Detox campaign in 2014.

German Sustainable Building Council. (DGNB): The sales lines REWE, PENNY and toom Baumarkt are members of the non-profit organization DGNB and are thus committed to sustainable building. The promotion takes the form, among other things, of the certification of sustainable buildings, interiors and neighborhoods.

Deutsche Stiftung Verbraucherschutz (German Consumer Protection Foundation): The foundation aims to strengthen consumer work in Germany. It supports projects that promote consumer skills, especially among children and young people. children and young people. REWE Group is represented on the foundation's Board of Trustees.

German Travel Association (DRV): Since 2010, DER Touristik has been an active member of the DRV's DRV's child protection working group. Members of the DRV, NGOs, and government representatives are campaigning against the sexual exploitation of minors in tourism. The focus of activities is the sensitization and information of travelers, but also of travel industry employees of the travel industry to protect children from sexual assault. In addition

DER Touristik is also vice-chairman of the DRV Sustainability Committee. This committee deals with the issues of environmental and climate protection, human rights and social responsibility. social responsibility and sees itself as a driving force for the travel industry.

German Red Cross (DRK): The DRK helps people in emergencies and promotes international humanitarian law. humanitarian international law. REWE Group cooperates with the DRK and supports the initiative by initiative through donations, for example, to the DRK's homeless aid program.

Floriculture Sustainability Initiative (FSI): This organization from the Netherlands is committed to the responsible production and trade with plants along the supply chain. supply chain. By becoming a member of the initiative, toom Baumarkt is committed to the goal of of the initiative of sourcing at least 90 percent of its ornamental plants sustainably in accordance with the

sourcing sustainably in accordance with the initiative's criteria. Suppliers must therefore have an environmental and social standard in accordance with applicable certification systems such as GLOBALG.A.P. and MPS GAP or GRASP and MPS SQ. toom Baumarkt is also actively involved in working groups, to make the ornamental plant trade more sustainable.

Food for Biodiversity: In March 2021, REWE Group, together with other companies, associations and certification organizations from the food industry as well as environmental environmental associations and research, founded the "Food for Biodiversity" association. This first industry-wide alliance is committed to promoting the protection of biological diversity as a central biodiversity as a central concern of the food industry, right down to the upstream value chains.

Forest Stewardship Council (FSC®): This organization promotes sustainable forestry forestry and ensures compliance with important environmental and social standards. This standards, the involvement of all relevant stakeholders and the support of well-known companies and and the support of well-known companies as well as recognized independent environmental and social social organizations.

Forum for more sustainable protein animal feed: In the Dialogue Forum, the food industry food industry, feed trade, civil society actors, environmental NGOs and political representatives. and political representatives will discuss options and goals for the use of more sustainable protein animal feed in Germany. REWE Group joined the forum in 2014.

Forum Nachhaltiger Kakao e.V. (GISCO): Since 2012, the multi-stakeholder initiative has been committed to the living conditions of cocoa farmers, the protection of natural resources and biodiversity, and the resources and biodiversity, and for the cultivation and marketing of sustainable cocoa. cocoa. As a founding member, REWE Group supports the project PRO-PLANTEURS together with other companies. PRO-PLANTEURS project, a joint five-year cocoa project in the Côte d'Ivoire. cocoa project in Côte d'Ivoire.

Forum Nachhaltiges Palmöl (FONAP): The goal of this multi-stakeholder initiative is to significantly increase the share of sustainably of sustainably produced palm oil and at the same time to improve existing certifications and standards. and standards. The forum was founded in 2013 by REWE Group and other partners. partners.

**Fur Free Retailer:** This global program works to connect fur-free businesses with interested consumers. interested consumers. REWE Group joined the program in 2018. joined.

**Futouris e.V.:** The sustainability initiative of the German travel industry pursues the goal, tourism destinations in the long term and through support for projects in the areas of ecology, biodiversity, and responsibility toward society and culture. DER Touristik joined Futouris in 2015 and is currently represented on the board.

**GLOBALG.A.P. working group on environmental aspects in crop cultivation:** In the working group REWE Group and other members are involved in the further development of the GLOBALG.A.P. standard with a focus on ecological sustainability in the certification of crops. of crops. The standard is scheduled to be launched in September 2021.

**GLOBALG.A.P. Risk Assessment on Social Practice (GRASP):** GRASP is a module for the social risk assessment of farms that are certified. risk assessment of farms certified to the GLOBALG.A.P. standard. The REWE Group is a member of the Technical Committee - its central task is to advise the steering committee with regard to strategic and technical developments.

**Housing:** REWE Group is committed to improving industry-wide animal welfare standards. animal welfare standards. The four-tier animal husbandry label for fresh private label items of REWE Group was transferred to an industry solution in 2019. The uniform labeling of "husbandry type" serves to transparently present the husbandry conditions. It consists of four levels and defines criteria for chicken, turkey, pork, beef and duck.

**HolyGrail 2.0 - Digital Watermarks Initiative:** The HolyGrail 2.0 pilot project, led by the (AIM) as a continuation of the HolyGrail project supported by the Ellen McArthur Foundation. supported by the Ellen McArthur Foundation, aims to develop better conditions for a circular circular economy in the packaging sector. With the help of digital watermarks improved sorting behavior and thus high-quality and high-quantity recycling. high-quality and high-quantity recycling. REWE Group has been involved in the project as a founding member since REWE Group has been involved in the project as a founding member since July 2020.

**Sustainable Agricultural Supply Chain Initiative:** The initiative advocates for more sustainability in global agricultural supply chains and has set itself the goal of improving the living conditions of small farmers. of smallholder farmers. REWE Group participates in the initiative and is committed to the and advocates for living wages and incomes within the framework of a working group.

**Initiative Tierwohl (Animal Welfare Initiative):** The association of representatives from agriculture, the meat industry and the food trade pursues the goal of improving the living conditions of small farmers, meat industry and the food trade pursues the goal of more animal-friendly meat production. meat production. The participating companies in the German food retail sector finance the additional finance the additional costs of animal welfare measures that go beyond the legal requirements.

go beyond legal requirements. REWE Group has been a founding member of the Animal Welfare Initiative since 2015.

active.

Interessengemeinschaft FÜR gesunde Lebensmittel e.V. (IG FÜR): The community of interests aims to promote awareness of healthy food and sustainability in society. REWE Group is a member of the IG FÜR board.

Kindernothilfe e.V.: The association supports children in difficult life situations by access to education and creating fair everyday conditions. Since the  
Since 2010, REWE Group has been working in cooperation with Kindernothilfe in Haiti to improve better access to education for children and young people.

klimaaktiv pakt2020: The klimaaktiv pakt2020 is Austria's climate pact for large companies. Together with the Ministry of Sustainability, twelve large companies are working to achieve the following Austrian climate targets by 2020 within the framework of corporate climate protection. As the largest participant, REWE Group in Austria makes a decisive contribution to the success of the pact.  
to the success of the pact. Progress is presented in an annual report.

Land schafft Leben e.V.: The Austrian association wants to show consumers in a transparent manner how food is produced in Austria, how it is produced locally, how it is processed, and how the processing and how the finished product finally ends up in the grocery store. The REWE Group in Austria with its trading companies BILLA, MERKUR, PENNY and ADEG is one of the first supporters and since 2014 has been an official sponsor of "Land schafft Leben" since 2014.

Lean & Green Initiative: The non-for-profit initiative awards participating companies for success in reducing their CO2 emissions in warehousing and logistics processes. Lekkerland has been part of the initiative since 2014 and is represented on the advisory board.

Marine Stewardship Council (MSC): The MSC is an independent and non-profit organization that awards a seal for fish and seafood from sustainable wild catches. The certified fisheries ensure a sustainable fish stock, intact marine habitats and the habitats and the protection of endangered species. REWE Group is in regular exchange with the organization.

Naturland e.V.: With around 100,000 farmers, beekeepers, and fish farmers in 60 countries, Naturland pursues the goal of an all-around sustainable agriculture and food economy, from which from which unadulterated organic quality products are produced. Naturland's standards go beyond

Naturland's standards go beyond the legal requirements of the EU's organic areas, and thus contribute, among other things, to the conservation of resources, biodiversity, more animal welfare  
animal welfare and to better working conditions in risk countries. Since 2009, the REWE sales division has had a close partnership with Naturland since 2009 in order to strengthen organic farming and make  
organic products to a broader market.

Naturschutzbund Deutschland e.V. (NABU): In 2015, REWE Group concluded a strategic partnership with NABU  
NABU, thus intensifying the cooperation that has existed since 2009.

intensified the cooperation that has existed since 2009. For this purpose, the joint project work on biodiversity from the cooperation on PRO PLANET was expanded and specific thematic complexes of the such as marine protection, packaging, resource conservation and the promotion of biodiversity. biodiversity. In working groups and strategy workshops, NABU and REWE Group are developing roadmaps for the achievement of jointly defined sustainability goals.

Partnership for Sustainable Orange Juice (PANAJO): The partnership promotes social justice and justice and labor rights as well as environmental protection in the orange juice supply chain. In the long term the share of sustainably produced orange juice in the German and European markets. European market. REWE Group is involved here as a founding member.

Programme for the Endorsement of Forest Certification Schemes (PEFCTM): The system for ensuring sustainable system for ensuring sustainable forest management takes into account the entire product from the raw material to the end product, and is monitored by independent experts. experts. Forest management takes appropriate account of all protective functions. taken into account.

Rainforest Alliance: Rainforest Alliance is a sustainability standard for the production of agricultural raw materials and products. agricultural raw materials and products. REWE Group joined the Rainforest Alliance in 2018. and is a member of the Standards Committee. This decides on the basis of the public standard consultations on the further development of its content. In 2018, Rainforest Alliance with the standards organization UTZ to achieve greater impact.

Recyclate Initiative: the Recyclate Initiative was launched in 2012. The cooperation of partners from various industries promotes effective recycling. The members pursue the goal of developing sustainable material cycles and, to this end, using the recyclable material from the yellow bag. As a member of the initiative, REWE Group is committed to is committed to value chains in the sense of the circular economy.

Regionalfenster e.V.: The Regionalfenster seal provides consumers with verified information on the origin of ingredients and the place of processing. the origin of the ingredients and the place where the products are processed. In addition to the brand-specific information, it also creates transparency for customers. To further strengthen regional products products, REWE Group has been a founding member of the Regionalfenster e.V. association since 2012. Regionalfenster e.V. and, since 2014, has been using the regional window for selected items in PENNY and REWE stores since 2014.

respACT: The corporate platform for responsible business in Austria informs, networks and drives sustainability in Austria. REWE Group in Austria has been a supporting member of respACT since 2009.

Roundtable on Sustainable Palm Oil (RSPO): The non-profit association non-profit organization RSPO works with its members to develop global standards for sustainable palm oil. and implement global standards for sustainable palm oil. In order to produce certified sustainable palm oil companies must meet a number of environmental and social criteria. The REWE Group has been a member of the RSPO since 2011.

SÜDWIND e.V.: The association campaigns for fair economic relations and supports women and the needy. SÜDWIND e.V. is represented by a research assistant on the REWE Group's Sustainability Advisory Board, where he is responsible in particular for the in an advisory capacity, particularly in the area of "fairness".

Sustainable Finance Advisory Board of the German Federal Government: The Advisory Board is made up of representatives from the financial and from the financial and real economy, civil society and academia, and advises the German advises the German government on the development and implementation of its sustainable finance strategy. The REWE Group is represented on the advisory board by its Head of Finance.

Tafel Deutschland e.V.: The organization rescues surplus food of impeccable quality and distributes it to people in need. food and distributes it to people in need. Since 1996, REWE Group has been one of the one of the main supporters of the more than 950 local food banks nationwide. In addition, for many years it has sponsor of numerous Tafel Deutschland e.V. events for many years.

The Bangladesh Accord on Fire and Building Safety: The aim of the Accord is to increase safety in the textile industry through independent inspections. in the textile industry through independent inspectors, who check building safety, fire protection and building safety, fire protection and electrical safety during factory visits. In 2013, the REWE Group signed the agreement for more safety in the textile industry in Bangladesh. and in 2017 signed the following "2018 Transition Accord". REWE Group also supports

also supports the RMG Sustainability Council (RSC), an institution established in 2020, which has officially taken over the Tasks of the Accord.

The Centre for Child Rights and Business (formerly the Center for Child Rights and Corporate Social Responsibility): The Centre supports member companies such as REWE Group in implementing child rights implementation of child rights policies. DER Touristik has been a member since 2018.

The Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism (The Code): The Code of Conduct "The Code" was developed by the German Travel Association (DRV) on behalf of all its members, and is based on the UN Declaration of Human Rights and the UN Convention on the Rights of the Child. DER Touristik signed it in 2016. ECPAT Deutschland e.V. - the working group for the protection of children against protection of children from sexual exploitation - is responsible for its implementation. DER Touristik as a competent partner.

TransFair e.V.: With the Fairtrade seal, the non-profit association TransFair campaigns worldwide for fair trade relations worldwide. The Fairtrade label identifies goods that originate from fair trade and whose production meets certain social, ecological and economic criteria. have been complied with. The aim of Fairtrade is to improve the living and working conditions of disadvantaged smallholders and workers, to strengthen the domestic economy and, in the long term economy and to dismantle unjust global economic structures in the long term. The REWE Group cooperates with TransFair e.V. in various projects and certifies numerous products with the Fairtrade seal.



Association for Food without Genetic Engineering e.V. (VLOG): In Germany, GMO-free foods can be labeled by the Verband Lebensmittel ohne Gentechnik e.V. (VLOG) can be labeled be labeled. REWE Group in Germany has been a member of VLOG since 2012.

VERBRAUCHER INITIATIVE e.V.: The association is committed to ecological, health-related and social consumer work. The federal managing director of VERBRAUCHER INITIATIVE e.V. is a member of the REWE Group's Advisory Council on Sustainability, where he represents the interests of consumers.

Donau Soja association: Since 2016, there has been a protein partnership with the Donau Soja association for the promotion of GMO-free soy.  
the promotion of GMO-free soybean cultivation. This resulted in 2017 and 2018 in a project in the Zupanja region in Croatia to support the farmers.  
Farmer:s.

Association for Controlled Alternative Animal Husbandry (KAT): The association pursues the goal of the control and monitoring of eggs from free-range, free-range and organic production. production. As a member of the association, REWE Group undertakes to support the interests of the association and to comply with its resolutions and requirements.  
and to comply with the resolutions and requirements.

Business does climate protection: The Dialogue Forum networked the German business community for the purpose of  
of climate protection. The aim was to initiate the development of concrete climate protection measures in companies in order to contribute to climate protection targets. Within the framework of the Circular Economy working group, REWE Group joined with other companies to focus on the development of ideas for the circular economy - in this context, the topic of packaging is also being  
is being looked at in more detail. The initiative was concluded in March 2020.

World Banana Forum: The forum brings together different stakeholders in the global banana banana supply chain to promote sustainable cultivation, respect for human rights and human rights and improve working conditions. REWE Group  
is a member of the World Banana Forum and has been represented on the Advisory Board since 2014.

XertifiX: In order to seamlessly track the supply chain of natural stones all the way to the quarry and to and to independently monitor compliance with social and environmental criteria, toom  
Baumarkt works together with the independent experts from XertifiX.

Further partners and memberships can be found in the sustainability section of the REWE Group website.  
website.

REWE Group Sustainability Report 2020  
Principles and GuidelinesPrinciples and Guidelines  
REWE Group has established basic values, standards of conduct, the guideline  
for  
sustainable  
management  
as well as various commodity-specific guidelines in order to anchor responsible action within the company and in the  
company and beyond in the supply chains.

GRI  
102-16:

Values,  
Principles,  
Standards  
and  
Standards of Conduct

With the goal of "The best performance - for customers, merchants and employees", REWE Group's REWE Group's basic values were formulated as follows within the framework of the 2008 mission statement:

- 

We act on our own responsibility in the interest of the community!

- 

We act for our customers - we are in the middle of the market!

- 

We have the courage to try something new - standing still is a step backwards!

- 

We treat each other openly, with trust and respect. Our word is our bond!

- 

We struggle for the best solution, make well-considered decisions and act consistently!

- 

We are aware of our responsibility and act sustainably!

Rules for the integrity of all employees and managers, including the Board of Management and Supervisory Board

Board of Management and Supervisory Board members are laid down in the  
of  
REWE

Group's Code of Conduct and  
and are laid down in a binding manner. It is also intended to provide orientation for those who work with

REWE Group.  
orientation.

The basis for sustainable action at REWE Group is the Guideline for sustainable business practices. It substantiates the basic value "We are aware of our responsibility and act sustainably!"

and act sustainably!" and thus serves as a binding orientation for employees, managers, business partners and suppliers, managers, business partners and suppliers.

In its Declaration of Principles Human Rights, REWE Group commits itself to strengthening human rights and to prevent human rights violations. This commitment applies to our own business activities as well as to our global supply and value chains.

Specific guidelines set standards

An important instrument for making the supply chains of critical raw materials more sustainable are the REWE Group's guidelines. In them, the company sets standards for the sourcing of raw materials such as cocoa, palm oil or fish and defines a timeframe by which the switch to more sustainable raw materials must have taken place. REWE has adopted the following guidelines

Group has adopted the following guidelines until the beginning of 2021:

- 

Guideline for living wages and incomes: Specifies requirements and measures to improve the wage and income situation in the supply chain. (Download).

- 

Guideline for fairness: Defines processes for strengthening human rights and improving working improvement of working conditions (download).

- 

Guideline for Women in the Supply Chain: Defines goals and measures for the protection and promotion of women in the supply chain (download).

- 

Guideline on the prevention of child labor: Defines requirements with regard to the prevention and

elimination of child labor (download).  
and elimination of child labor (download).

•

Guideline for water conservation in the supply chain: Defines targets and measures for the careful water use in supply chains (download).

•

Guideline for fish and seafood: Defines standards for wild fish and fish from aquaculture, including demanding transparency criteria (download).

•

Guideline for coffee: Defines targets and actions for a more sustainable coffee sector. (Download).

•

Guideline for Cocoa Products: Defines requirements for sourcing cocoa and Explains the transition to certified sources that has already taken place (download).

•

Guideline for orange juice: Sets targets and measures for more sustainable orange juice production and defines commitments of business partners (download).

•

Guideline for palm oil and palm kernel oil products: Sets out a challenging implementation roadmap for transitioning to sustainable palm oil and defines requirements that go beyond established standards (download).

•

Guideline for organic products: Defines standards for organic private label products, which in many respects go beyond the requirements of the EU organic logo (download).

•

Guideline for soy as animal feed: Formulates as an essential requirement the GMO-free imported soybean meal and the examination of substitution possibilities with domestic protein sources (download).

•

Guideline for Tea Products: Establishes goals and measures for more sustainable tea production. (Download).

•

Guideline for Animal Welfare: Formulates basic values and goals for the implementation of species-appropriate animal husbandry (download).

•

Guideline for microplastics in cosmetic products: Sets out requirements and measures to eliminate or reduce the use of microplastics in cosmetic products. (Download).

•

Guideline for more sustainable textiles: Sets requirements for the social and environmental standards of suppliers of textile products (download).

•

Guideline for Natural Stone Products: Defines an implementation framework for improving of social and environmental standards in the production of natural stones (download).

•

Guideline for more environmentally friendly packaging: Defines REWE Group's framework for action to make packaging for its private labels more environmentally friendly (Download).

Further guidelines will also be published and existing ones updated in 2021.

Data on the status and degree of target achievement of the guidelines are presented in the sections Focus Raw Materials

- Food and Focus Raw Materials
- Non-Food are reported.

corporate strategy." The REWE Group Management Board has defined this claim in the guideline for sustainable business practices. For REWE Group, this means: It assumes responsibility for its employees, ensures fair dealings with partners and suppliers, promotes more sustainable suppliers, promotes more sustainable product ranges, acts in an environmentally and climate-conscious manner and is for a sustainable society.

GRI  
102-18:  
Management structure

GRI  
102-19:  
Authority Granting  
Body

GRI  
102-20:  
Responsibility  
of  
Management Level  
for  
economic,  
ecological  
and  
social  
issues

GRI  
102-21:  
Involvement  
of  
Stakeholders  
at  
economic,  
ecological  
and  
social  
issues

The  
sustainability strategy  
of  
REWE  
Group

As a leading international trading and travel company, REWE Group is aware of its special role as an intermediary between manufacturers role as an intermediary between manufacturers, service providers and consumers. The sustainability strategy therefore focuses on the entire business activity in order to establish more sustainable sustainable consumption and tourism across the market. REWE Group formulates goals and does not shy away from complex problems. In this way, it has in many In this way, it has been a pioneer in implementing new approaches that are now general standards. In the implementation of its sustainability strategy, REWE Group conducts an intensive dialog with its stakeholders and enters into binding, long-term partnerships. Because only when all only when all those involved work towards common goals can long-term improvements be

improvements can be brought about. In this way, the share of more sustainable products and services is being constantly

and sustainable consumption is being made accessible to ever larger sections of the population. of the population.

Sustainability  
at  
mission statement  
anchored

As early as 2008, REWE Group incorporated the principle of "We are aware of our responsibility and act sustainably" in its mission statement and established a strategic and established a strategic sustainability management system.

With the guideline adopted in 2010

for

sustainable

management adopted in 2010

a binding framework for action was created that forms the basis for the the basis for REWE Group's comprehensive commitment to sustainability.

s comprehensive commitment to sustainability. The goal was clearly formulated from the very beginning:

Sustainability should

"out of the niche" and into the center of society.

In April 2019, REWE Group published the Declaration of Principles.

Human Rights. In it

Group commits to strengthening human rights and preventing human rights

Preventing human rights violations. This commitment applies both to the Group's own business activities as well as to the global supply and value chains.

In 2008, REWE Group introduced four sustainability pillars to implement its sustainability strategy.

Sustainability pillars introduced:

- 

Green products

- 

Energy, climate and environment

- 

Employees:inside

-

## Social commitment

Within these pillars, fields of action define the key topics of our sustainability commitment.

### Implementation of the strategy in the individual sales divisions

When implementing the sustainability strategy, the individual sales sales divisions are given a great deal of freedom in order to achieve the best possible fit with their respective strategies and individual business models. their individual business model. All sales divisions are subject to the overarching themes of the four sustainability pillars of REWE Group and the the guideline sustainable guideline as a common formulation of goals and canon of values of the sustainability commitment. Within this strategic strategic framework, each sales division focuses on the issues relevant to it. topics relevant to them. The DER Touristik Group, for example, has defined the following five strategic fields of action: "Environment and nature," "Customers and products," "Partners in the countries," and and Products," "Partners in the Countries," "Employees," and "Society. "Society".

The sustainability strategy of REWE Group and the sales divisions is subject to an annual review. annual review, in which all available information, such as customer surveys customer surveys, competitive analyses or analyses of the political discourse. political discourse. In 2020, a comprehensive materiality analysis was again carried out for this purpose. was carried out, in which consumers, employees and stakeholders were surveyed (for more information, see section (for more information, see the section on materiality analysis).

For more information on the fields of action and key performance indicators, see the overarching management approaches of Green Products, Energy, Climate and Environment, Employees and Social commitment.

### Sustainability pillars and fields of action for the Food Trade in Germany



Fields of action:

1.  
People
2.  
Animal
3.  
Environment
4.  
Nutrition

Fields of action:

1.  
Energy efficiency
2.  
Climate-relevant emissions
3.  
Resource conservation

Fields of action:

1.  
Values and culture
2.  
Training and development
3.  
Health and safety
4.  
Occupation and life phases
5.  
Diversity and equal opportunities

Fields of action:

1.  
Conscious nutrition and exercise
2.  
Opportunities for children and young people
3.  
Conscious handling of food
4.  
Biodiversity and environmental protection

Sustainability organization

Sustainability is anchored at the highest level of corporate management at REWE Group. Since the launch of the sustainability strategy in 2008, overall responsibility for sustainability has rested with the strategy in 2008 has rested with the CEO. This person stands for the conviction that sustainable is a prerequisite for the long-term success of the company (cf.

also  
also  
the  
Foreword  
from  
Lionel  
Souque).

In the course of the strategic realignment in 2016, REWE Group strengthened the sustainability organization within the individual sales lines and further integrated sustainability further integrated into the business processes. In this way, REWE Group is pursuing the goal of, REWE Group is thus pursuing the goal of developing sustainability measures closer to the business and the customers and of implementation more quickly. Twice a year, a Group-wide sustainability information event is held twice a year in order to promote the exchange of information between the individual and divisional board levels between the individual sales divisions (REWE, PENNY, Lekkerland, DER Touristik, toom Baumarkt and REWE International AG). It is also used to promote dialog with stakeholders, for example non-governmental organizations, and to share share best practices. In the fall of 2020, REWE Group held this event digitally for the first time due to the the Corona pandemic, it conducted this event digitally for the first time.

At REWE and PENNY, the Sustainability Merchandise department is responsible for the Green Products pillar responsible. It is directly assigned to Purchasing, where it provides support in designing sustainable product ranges.

The  
Advisory Board  
Sustainability

The Sustainability Advisory Board consists of five independent experts and representatives of non-governmental organizations. and representatives of non-governmental organizations and is involved in the development and is involved in the development, evaluation and implementation of sustainability-relevant measures for the REWE and PENNY sales divisions in Germany. This work within the framework of the PRO PLANET process as well as the continuous the continuous further development of the sustainability strategy of REWE Group's sustainability strategy, for example by involving the company in the creation and updating of the guidelines. For more information, see the section PRO PLANET.

In the sustainability pillars, project groups work together across sales divisions and under agile structures. This is where an exchange takes place on sustainability topics, best best practices are shared and measures are initiated.

The four sustainability pillars are headed by divisional directors or managing directors, to reflect the importance of the sustainability pillars and their work. From the sustainability pillars, measures are developed in line with the goals and positioning of the sales and positioning of the sales divisions, which are decided as part of the regular annual and strategic planning of the strategic planning of the sales divisions. Responsibility is thus integrated into the established decision-

making processes right down to the operating level.  
established decision-making processes.

The independent merchants are involved in various coordination meetings, so that their ideas and experience can be so that their ideas and experience for shaping sustainability at REWE Group can be integrated into relevant decisions. REWE Group are incorporated into relevant decisions. An expert group of merchants, the so-called sustainability ambassadors, meets twice a year to discuss new project ideas and campaigns. new project ideas and campaigns and to promote the dialog between the merchants and the and the sustainability sector. The Sustainability Ambassadors have the task of, sustainability issues in their region.

#### Responsibility in the individual sales divisions

The Corporate Responsibility department develops the sustainability strategy of REWE and PENNY in Germany in coordination with the respective strategic divisions, sustainability pillars and specialist departments. It provides a key account manager for each of REWE

and PENNY, who drives forward the sustainability strategy of the sales divisions. In addition, the responsible for the implementation of the sustainability strategy for the entire REWE Group and serves as a central interface between the sales divisions and in contact with external stakeholders. external stakeholders.

At the top of the sustainability organization of REWE Group in Austria is the Management Board of REWE International AG, which is supported by the Sustainability Department. In the individual trading companies under the umbrella of REWE International AG, responsibility lies with the the respective Management Board members, management teams and top executives. Working and project groups are responsible and project groups that exist for each of the four sustainability pillars. sustainability pillars. Through close integration of sustainability management management into the strategies of the trading companies under the umbrella of REWE International AG. sustainability is an integral part of business activities.

At toom Baumarkt, the Managing Director Purchasing and Logistics has been primarily responsible since 2018 for the topic of sustainability. As in the entire REWE Group, sustainability management is organized along the four sustainability pillars. In addition, a department in the purchasing area coordinates the topic of sustainability at toom across the board via the further development of the range of more sustainable products. The strategic strategic orientation as well as measures and projects are decided by a regular sustainability committee, which includes representatives of the management, the pillar managers and other nominated employees from relevant departments.

The Chief Executive Officer (CEO) of DER Touristik Group is the main person responsible for sustainability. topic of sustainability. The central sustainability department supports the international Board of DER Touristik Group in developing the strategy and coordinates and controls the implementation measures. implementation measures. Since 2019, the sustainability team has been a staff unit directly under the CEO of DER Touristik Group with responsibility for DER Touristik Group. In addition In addition, an international structure for sustainability issues was implemented in 2019: The

sustainability officers of the individual country units are represented on an international CR Board. Here, they contribute their respective requirements so that strategic focal points for the DER Touristik Group are jointly defined. The board meets once a year for an annual review and further planning, and regularly exchanges views on current regularly on current topics. CR Steering Committees in the respective country units coordinate and manage sustainability issues at local level. At the end of 2019, a CR Steering Committee for Germany, Austria and Switzerland was established at the end of 2019. It is made up of

managers from the relevant specialist areas and is responsible, among other things, for the further development and regional implementation of the Group strategy.

At Lekkerland, the Chief Operating Officer (COO) is responsible for the topic of sustainability and is supported by the Quality Management and Corporate Responsibility department. The Lekkerland's sustainability team will be successively integrated into various working groups on sustainability topics and in the comprehensive sustainability management of REWE Group. integrated. In this way, Lekkerland can use the expertise of REWE Group to build up fundamental sustainability structures with the expertise of REWE Group.

## Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) of the United Nations address the main key challenges of sustainable development at the global level. They have a time horizon until 2050 and are specified by 169 subgoals. REWE Group is REWE Group strives to make a contribution to the achievement of these goals with its sustainability contribute to the achievement of these goals. For this reason, it has aligned its sustainability strategy and business processes with the the 17 goals and the associated 169 sub-goals. On the basis of this analysis the SDGs and their sub-goals were prioritized by REWE Group's sustainability managers. prioritized and a ranking of the most relevant SDGs was formed. This was presented at the REWE Group Dialogue Forum in 2016 with stakeholders as part of a panel discussion. Stakeholder feedback was incorporated into an overall ranking that includes the following SDGs of high relevance for REWE Group:

SDG 12: Responsible consumption and sustainable production.

SDG 12 aims at the necessary change in lifestyles and economic practices. It thus relates both to individual consumption and to the transformation of the value creation value creation patterns that underlie production. Circular economy and sustainable chains are just as relevant as the avoidance or responsible disposal of waste and responsible disposal of waste and the reduction of food waste. food waste.

Large parts of REWE Group's commitment contribute to the achievement of SDG 12. The basis The basis for this are the principles and guidelines defined by the company - which take environmental aspects and social concerns along its supply chains (for more information, see the the sections Principles and Guidelines, Ecological Aspects

Aspects  
in  
the  
supply chain). As an important contribution to more sustainable

organic and regional private label products are promoted, as well as products in which products for which REWE Group achieves social and ecological improvements in the supply chains. achieved. In doing so, the company relies on internationally recognized certification standards, works together with the industry in initiatives and sets up its own projects. In addition, since 2010 it has been labeling products that are produced in a socially and ecologically more sustainable manner or meet higher animal welfare standards with the PRO PLANET label since 2010. 25 percent of REWE's and PENNY's own brands in Germany are to carry this label. This will provide consumers with a guide to more sustainable products and transparent information for their purchasing decisions. information for their purchasing decisions (for more on this, see the sections Management Approach Green Products, Regionality, Organic and PRO PLANET). To curb food modern forecasting systems and automated ordering processes - supported by the automated ordering procedures - supported by the commercial experience of the employees are used. They enable the stores to be supplied with fresh merchandise in line with demand. In addition, REWE Group raises awareness of this issue among its customers through campaigns and works with cooperates with 940 local food banks (further examples of REWE Group's commitment can be found in the sections can be found in the sections on sustainable Consumption and Projects and sponsorships). The conscious use of resources is also reflected in REWE Group's focus topic of Circular Economy, in which packaging in particular plays an important role. Here the strategic approach is "avoid, reduce, improve". By the end of 2025, for example 20 percent less plastic is to be used in the sales and service packaging of REWE and PENNY's own brands. percent less plastic is to be used in the sales and service packaging of REWE and PENNY's own brands by the end of 2025. be recyclable (for more information, see the Packaging section).

## SDG 15: Life on land

Protect, restore and promote sustainable use of terrestrial ecosystems, manage forests managed sustainably, combat desertification, halt and reverse, and halt biodiversity loss - these are the targets of SDG 15.

To protect and promote biodiversity, REWE Group relies on cooperations and projects, together with numerous farmers and partners such as the Naturschutzbund Germany (NABU) or the Lake Constance Foundation. For example, as recently as March 2021, the association "Food for Biodiversity" was founded. And since 2010, the PRO PLANET project in cooperation with farmers and nature biodiversity on conventional fruit and vegetable farms has been improved since 2010.

on conventional fruit and vegetable farms - initially with a focus on apple and pear and pear orchards, and since 2016 also on various fruit and vegetable crops. By 2025

all relevant, regional open-field fruit and vegetable products to be grown in a biodiversity-supporting cultivation. Also in the design of more sustainable biodiversity is also an important criterion in the design of more sustainable product ranges. standard systems such as organic, Fairtrade or Forest Stewardship Council (FSC®). REWE Group is also committed to environmentally and socially responsible forest management. forestry: By the end of 2025, supply chains in the areas of wood/paper, palm oil and soy animal feed are to be free of deforestation (for more information, see the section on Focus Raw Materials

- Food). And the company is increasingly sourcing wood and paper for its products and packaging from sustainably managed sources that are certified according to sustainability standards (for more information, see the sections on Sustainable Consumption promoting sustainable consumption, Ecological Aspects in the supply chain and focus raw materials

- Non-Food).

## SDG 14: Life below water

This SDG aims to significantly reduce pollution of the oceans and seas. Included in this are the reduction of acidification, sustainable management of coastal ecosystems coastal ecosystems and fish stocks.

REWE Group is aware of the water impacts that occur along its supply chains and is continuously working to and is continuously working to resolve identified hotspots: For example, a detox program for apparel, shoes and home textiles of its private brands is aimed at specifically reducing the contamination of water by chemicals (for more more information see section Ecological Aspects in the supply chain). The company also company also wants to completely eliminate harmful microplastics from its own-brand products - and and to extend this ban to other product groups (for more information, see the Water section). in the Water section). And in the guideline for fish and seafood, REWE Group is setting Group's guideline for fish and seafood sets out transparency requirements for its suppliers - in the sense of sustainable use of the resource sea and sustainable fishing. The goal here is to achieve the following in the areas of frozen, convenience, fresh and canned products, 100 per cent certified private label products (MSC, GLOBALG.A.P., ASC, organic certification) (for more information, see the Guideline for Fish and Seafood and in the Focus Raw Materials section.

- Food).

## SDG 8: Good jobs and economic growth.

The goal of SDG 8 is to achieve continuous, inclusive and sustainable economic growth, a productive full employment and decent work for all.

As an internationally active company, REWE Group is committed in its Declaration of Principle Human Rights as well as in its Guideline

for

fairness, REWE Group is committed to ensuring that the supply chains of all REWE, PENNY and toom Baumarkt to strengthen human rights and improve working conditions.

working conditions - the focus is on the issues of child and forced labor,

living wages and incomes, and women in the supply chain. By 2030, REWE

Group wants all strategic suppliers to participate in training programs,

in order to reduce negative impacts along the supply chain in a targeted manner. To this end, by 2025 a

system for relevant supply chains is to be established by 2025 (for further

information can be found in the sections Social

Aspects

in

the

supply chain, Child and

forced labor, living wages

wages

and

incomes and women

in

the

supply chain). Also

REWE Group is also committed to sustainable and fair cooperation at the local level with its REWE sales division.

and fair cooperation: With the "REWE Lokal-Partnerschaft", local suppliers and

local suppliers and producers are promoted and binding cooperation is defined (more information in the

Regionality section). As an employer, REWE Group offers its employees, among other things

flexible working time models for work-life balance, company health management and shows great

health management and shows great commitment to training and development (more information in the

information can be found in the sections on Employees, Career

and

Life Phases and

Training and

Further Training). In addition, representatives of the workforce are involved in almost all of REWE Group's

representatives of the workforce are involved in almost all decisions at REWE Group in the form of elected

(see section on employee-employer relations).

## SDG 2: No Hunger

SDG 2 aims to end hunger in the world, achieve better nutrition and promote sustainable agriculture. as well as promote sustainable agriculture.

To combat hunger in supply chains, REWE Group is committed to, among other things.

the livelihoods of smallholder farmers and to provide them with planning security - for example

planning security - for example, with purchase guarantees. In addition, pilot projects are to be

implemented by 2025 to

to ensure living wages and incomes are tested in pilot projects and, if successful, scaled up,

scaled up. REWE Group also aims to empower women in particular along the global value chains.

value chains - for example, with women's committees in projects such as that of the Fairtrade coffee cooperative Valle de Incahuasi in Peru, which focuses on food security, training and income-generating activities specifically for women.

(for more information, please refer to the sections Social

Aspects

in

the

supply chain,

Living wage

Wages

and

incomes and women

in

the

supply chain). In order to achieve better

REWE Group raises awareness among its consumers on this topic,

for example through campaigns. Children and young people are introduced to healthy lifestyles with lots of

to a healthy lifestyle with plenty of exercise and a balanced diet in various workshops.

school classes are given healthy food. In addition, the

company provides transparent information about the nutritional values of its products - since 2020, REWE Group has also used the

has also been using the Nutri-Score label for this purpose. In addition, the company is adapting the product range and the recipes of its private labels by reducing sugar, salt, fat or saturated fats,

fat or saturated fatty acids (for more information, see the sections on Organic,

Nutrition, Sustainable

Consumption

promotion and projects

and

Funding).

## SDG 7: Renewable energy

The goal of SDG 7 is for all people to have access to affordable, reliable, sustainable and timely energy. In addition, the share of renewable energies in the global energy mix should be energy mix should be significantly increased and the rate of increase in energy efficiency doubled.

In line with the goals of SDG 7, REWE Group has already, at the beginning of 2008, reduced its electricity purchasing for

stores, warehouses and travel agencies in Germany and Austria to green electricity at the beginning of 2008.

thus making a contribution to the expansion of renewable energies. In addition, the company saves energy through an effective, certified energy management system and the optimization of its logistics. And with its Green Building concept, since 2009 the Group has been pursuing a approach to sustainability for its sites since 2009 (for further information, please refer to the sections on sections on energy, logistics

and

Mobility and Green

Building). The use of renewable

energies and consistent energy conservation are essential components in achieving the company's company's climate targets - such as reducing absolute greenhouse gas emissions at company level by emissions at the corporate level by 30 percent by 2030 compared to a baseline of 2019.

and to achieve an absolute reduction in greenhouse gas emissions of 15 percent in the supply chains of its private label

Greenhouse gas emissions of 15 percent by the end of 2030 compared to 2019 levels.



(For more information, see the sections Climate Protection in the supply chain and Climate protection at corporate level).

In addition to these seven goals, REWE Group has identified a total of 27 SDG subgoals that are of pronounced of pronounced relevance to its business activities.

The analysis shows that REWE Group's sustainability activities make a contribution to the achievement of the SDGs and sub-goals that have been classified as relevant. The company regularly identifies further potential for future engagement.

Further information on the approaches of the sustainability pillars can be found here in the report:

•

Management approach Green Products

•

Management approach Energy, Climate and Environment

•

Management approach Employees

•

Management approach Social Commitment

REWE Group Sustainability Report 2020  
Stakeholder dialogueStakeholder dialogue

As a trading and travel and tourism company with many millions of customer contacts every day, the REWE Group has a special opportunity, but also a responsibility, to integrate sustainability into its business activities.

business activities. Important impulses are provided by direct and personal exchanges with various stakeholder groups, at which REWE Group presents itself, for example, at (digital) events (digital) events, panel discussions or in the context of lectures, for example, REWE Group also sees itself as a and contributes its experience with the implementation of sustainability to the discussion.

discussion. In this way, experiences can be exchanged and a mutually beneficial discourse can be held. profitable discourse can be conducted.

GRI  
102-40:  
List  
of  
Stakeholder Groups

GRI  
102-42:  
Identify  
and  
Selection  
of  
Stakeholders

GRI  
102-43:  
Approach  
for  
the  
Inclusion  
of  
Stakeholders

GRI  
102-44:  
Key  
Topics  
and  
elicited  
Concerns

Approach  
of  
REWE  
Group

The stakeholder groups that are relevant for REWE Group were defined for the first time as part of the sustainability strategy that was as part of the sustainability strategy developed in 2008. Through the intensive exchange, for example at the REWE Group dialog forums, in the Sustainability Advisory Board and in stakeholder surveys, the cooperation is regularly readjusted. The main stakeholder groups with which the company with which the company engages in exchange include suppliers, consumers, business partners, politics, authorities, science, and the general public, business partners, politicians, authorities, scientists and non-governmental organizations (NGOs), as well as the company's own employees, the works council, managers, and the independent merchants. In 2015 and 2016, REWE Group carried out a stakeholder mapping

to identify the field of currently relevant NGOs in the areas of social affairs, the environment, consumer protection, animal welfare, climate protection, and the environment, Consumers:inside, Animal Welfare, Climate Protection, Conscious Nutrition and Emergency Response. This mapping continues to be applicable - the results are incorporated into the planning of the stakeholder communication.

Stakeholder  
Type of involvement

## Customers

Online platform Utopia.de, social media

Sustainability weeks

Customer satisfaction surveys

Market research

Customer service

Customer Advisory Council Austria

## Employees

Dialog forums

Works Council

Internal Communication

Employee survey

Sustainability weeks

Employee participation campaigns

REWE Employee Advisory Council Sustainability

Independent merchants

Dialog forums

Joint projects

Joint committees

Sustainability ambassadors

REWE merchants

Suppliers

Dialog forums

Communication of the guidelines

Joint projects

Business partners

Communication of the guidelines

## Politics

Dialog forums

Continuous exchange

Membership in associations

Offices in Berlin and Brussels

## NGOs

Dialog forums

Continuous exchange

Sustainability advisory board

Strategic partnership with NABU

Joint projects

Response to surveys

## Science

Dialog forums

Cooperation with universities

Conducting studies

## Media

Dialog forums

Answering journalists' inquiries

Influencer relations (including producer visits)

Sustainability weeks

## Formats

of the

Stakeholder dialog

The institutionalized dialog with stakeholders and communication with the leading and specialist media are the responsibility of the Corporate Responsibility department and the sustainability and Communications departments of the sales divisions. Since 2010, the

REWE Group has been organizing a personal, open and critical exchange with its stakeholders with its dialog forums. In this way, REWE Group conducts in different formats both dialog events with up to 250 participants as well as smaller topic-specific specialist dialogs.

In 2020, planned dialog formats could not be held due to the Corona pandemic and the associated contact and travel restrictions. and travel restrictions, planned dialog formats could not take place or could not take place in the planned form. take place. For this reason, REWE Group began in the reporting year to hold digital stakeholder dialogs and workshops in the reporting year. For example, in September 2020 experts from various NGOs took part in the Stakeholder Dialogue on Fairness and discussed with the responsible experts from REWE Group to discuss the further development of the guideline for fairness. for fairness.

In April 2021, REWE Group also held its first digital dialog forum. Almost 450 participants from politics, science, NGOs and REWE Group took part in the event. participated in the event. Current projects of REWE Group were presented in video contributions. Part of the dialogue forum was also a discussion round, in which the participants could ask questions in a live chat. Current developments in sustainability in times of pandemics and potential pandemic and potential steps of REWE Group to shape sustainability out of the crisis. sustainability out of the crisis. REWE Group experts were also on hand to discuss with the respective with the respective topic-specific stakeholders in background discussions and institutionalized institutionalized dialogs - for example, in the context of round tables, working groups or forums, working groups or forums. REWE Group experts also participate as speakers and panelists. speakers and panelists at (digital) dialog events in order to share their experiences with the implementation of sustainability. experiences with the implementation of sustainability and to exchange technical information in constructive exchange professional information in a constructive dialog.

In 2020, REWE Group carried out an update of its materiality analysis. Here 6,150 consumers, employees and other stakeholders were given the opportunity to express their to express their expectations of the company. In this way, REWE Group can align its actions more closely with the requirements of its stakeholders (for more information, see section Materiality analysis).

Another important body of the stakeholder dialog is the Sustainability Advisory Board, which supports REWE Group in the further development of its sustainability strategy. Group in the further development of its sustainability strategy and its activities for a more sustainable sustainable product range design and is consulted on communication issues. communication issues. In 2019, the role of the former PRO PLANET advisory board was further developed. For example, the advisory board now works together with REWE Group on the development, evaluation and implementation of all sustainability-related

Green Products pillar measures for the REWE and PENNY sales lines in Germany. It confronts the company with the demands of science and NGOs in the area of sustainability and at the same time is the idea generator, co-developer and communication partner of REWE Group. His role aims to support the development of strategies, goals and measures of REWE Group's sustainability commitment. and support. In addition, he contributes his expertise and networks and initiates internal and, if necessary, external discussions. internal and, if necessary, external discussions. In addition, each member of the Advisory Board has been assigned responsibility for a specific topic (for more information, see the section PRO PLANET).

Members of the Sustainability Advisory Board:

•

Abel, Georg (Die VERBRAUCHER INITIATIVE e.V.), expert advisor for consumer:inside.

•

Geier, Bernward (COLABORA), Advisory Board Expert for Organic

•

Hütz-Adams, Friedel (SÜDWIND e.V.), advisory board expert for the field of action "People" • Hütz-Adams, Friedel (SÜDWIND e.V.), advisory board expert for the field of action "People".

•

Klöckner, Kristian (NABU Bundesverband e.V.), Advisory Board expert for the field of action "Environment"

•

Pöpken, Stefanie (independent expert on animal welfare in agricultural animal husbandry),

Advisory board expert for the field of action "Animal".

Strategic  
Partnership  
with  
the  
NABU

In 2015, REWE Group entered into a strategic partnership with Naturschutzbund Deutschland

e.V. (NABU), thus intensifying the cooperation that has existed since 2009. For this purpose, the joint project work on biodiversity from the cooperation on PRO PLANET was expanded and specific areas of cooperation were such as marine conservation, packaging, resource conservation and the promotion of biodiversity were agreed. In working groups and workshops, NABU and REWE Group develop roadmaps for achieving jointly the achievement of jointly defined sustainability goals. An partnership is the constructive and critical exchange that takes place at both the working exchange, both at the working level and at the level of the Management Board and President of REWE Group and NABU. In this way, NABU is both an important initiator for the further development of the strategy as well as a long-standing partner in the implementation of projects. of projects. In 2020, REWE Group joined the project "Together. Making good ground together" project as a partner. Through the project farmers who convert their farms to organic farming or expand their existing or who want to expand their existing organic farm. Customer and employee communication

The sales divisions take on the task of addressing customers, for example by publishing information in weekly handouts, in their travel catalogs, on their websites and social media channels, in their markets or as part of campaigns to provide information on the topic of sustainability. The aim is to consumers' awareness of sustainability and environmentally and socially responsible and socially responsible products and to enable them to make informed purchasing decisions. (for more information, see also the section on sustainable consumption promote sustainable consumption).

In addition, employees are informed, sensitized and inspired, as they are the interface to customers and suppliers. and suppliers and are therefore important contacts for sustainability issues.

important contact persons for sustainability issues, they are an important factor in differentiating differentiation from competitors.

In order to promote the exchange on the topic of sustainability within its workforce, the REWE sales division founded the REWE Employee Sustainability Advisory Council in 2020. Employees from the regions, stores and logistics meet twice a year to discuss various sustainability issues in the company. drive forward various sustainability topics within the company. At the beginning of 2021, the advisory board met for the first time.

The active involvement of independent REWE retailers also plays a special role. As sustainability ambassadors, they contribute their knowledge and views to the continuous exchange with the sustainability department.

All employees at REWE and PENNY stores as well as at REWE Group Headquarters have the opportunity to learn more about sustainability. Group Headquarters have the opportunity to learn more about the topic of sustainability via an e-learning

tool. The REWE's e-learning tool was redesigned in 2018 and awarded the 2019 eLearning Award in the Gamification category. In the reporting year, an update of the content. At toom Baumarkt, the e-learning Sustainability 2020 was published in a new form and with content was published in a new form. Based on the four sustainability pillars employees at the stores and at headquarters about the relevant sustainability topics. are made more accessible.

Since 2013, REWE Group in Austria has involved its customers in the sustainability process through a customer advisory board, REWE Group in Austria has been involving its customers in its sustainability activities since 2013. At the same time, direct communication on sustainability topics is institutionalized. The Customer Advisory Council has an advisory function and actively participates in the development of the sustainability agenda of REWE Group in Austria. It is nominated for a term of two years, meets four times a year and is made up of around 50 customers of the trading companies BILLA, MERKUR, PENNY, BIPA and REWE Austria Touristik. Due to the contact and travel restrictions necessitated by the Corona pandemic, no board meetings were held in the year under review. A new Customer Advisory Board is to be nominated in 2021.

#### REWE Group Sustainability Report 2020 Materiality Analysis

From food retailing to DIY stores to travel and tourism - REWE Group is broadly diversified with its business and activity areas. Equally diverse are the potentially material sustainability aspects that can affect the company. In addition to other instruments such as product-related risk analyses, the materiality analysis is a method that REWE Group uses to identify material topics and sets priorities for the development of measures. In particular, the assessment of internal and external stakeholders as well as the effects of the company's activities on humans, animals and the environment play an important role.

#### GRI 102-46:

Procedure  
for  
Determination  
of the  
report content  
and  
the  
delimitation  
of the  
topics

In order to adapt to changing circumstances, REWE Group has updated its materiality analysis in 2020. The results of the previous analysis from 2018 formed the basis for this. Thus, the original 18 sustainability topics were reviewed by the Corporate Responsibility department for topicality, relevance and missing focal points. For this purpose, the list of topics was compared with various frameworks, such as the GRI standards or the German Sustainability Code.

For reasons of comprehensibility, the terminology used for selected topics was adapted. terminology. For better comprehension, the topic "Conscious nutrition" was split into "Promoting healthy nutrition" and "Expanding healthy nutrition" and "Expanding the range of sustainable products" for better understanding. The result represents a consolidated list of 19 sustainability topics.

In addition to these 19 topics, REWE Group has defined five further topics. However, these were for discussion within the scope of the analysis, however, as they relate to overarching management concepts that are particularly relevant to REWE Group's business activities, or because the company is relevant to the business activities of the REWE Group, or because the company is required to disclose information on these topics due to GRI requirements. information must be disclosed:

- 

Sustainability in corporate management

- 

Integrity and compliance

- 

Fair business relations

- 

Dialogue

- 

Economic performance

In a second step, REWE Group conducted an online-based survey of consumers, employees and other stakeholders. A total of 6,150 stakeholders in Germany and Austria\* rated the 19 topics according to their relevance. As a result, the respondents rated the topics Animal Welfare, Environmentally Friendly Packaging, climate protection, fair working conditions in the company's own operations, and ecological aspects in the supply chain as particularly relevant for REWE Group. Compared to the last Stakeholder Survey from 2018, the topic of animal welfare increased in relevance once again.

In addition to prioritizing the 19 topics, respondents had the opportunity to express their concrete expectations regarding their "top topic". With regard to the the most relevant topic was the desire for a wider choice of animal products with very good selection of animal products with very good husbandry conditions. And also the The delisting of animal products with poor animal husbandry is also a key expectation. In



With regard to more environmentally friendly packaging, a large proportion of respondents named the avoidance of plastic, the reduction of packaging quantities, the expansion of reusable solutions and improvements in packaging from an ecological point of view. The topic of climate protection was seen by the respondents as a cross-cutting issue and expected REWE Group to make climate protection a basis in all decisions. In particular, short delivery times in connection with a stronger offer of regional products are an important factor for a large number of respondents.

In addition to this, the participants were asked to rate the performance of REWE Group with regard to their "top issue". Overall, at least half of the respondents rated REWE Group's performance on each of the 19 topics with "satisfactory" (grade 3) or better. The respondents expressed the highest level of satisfaction in the area of training and further education.

training: 77 per cent gave it a grade of 3 or better. Second and third place in the performance were the expansion of the range of sustainable products and occupational health and safety. REWE Group's performance with regard to the topics Sustainable logistics, digitalization and sustainability, and animal welfare, on the other hand, were the least positively evaluated.

The results of the materiality analysis, along with other information, are incorporated into the annual review of the sustainability strategy (for more information, see section Sustainability strategy).

Relevance  
from  
view  
of the  
internal  
and  
external  
stakeholders

Finally, the results of the materiality analysis were presented to the top management in various committees and working groups.

\* Number of participants in the consumer and employee survey by group: 3,848 Germany (external), 655 Germany (internal), 505 Austria (external), 1,144 Austria (internal). The groups were weighted to calculate the overall result.  
GRI  
102-47:

List  
of  
material  
Topics

## Materiality analysis topics

### Assigned GRI topics

#### Green products

Expanding the range of sustainable products:

For example, greater proportion of products with sustainability labels and -certifications (including organic, regional, Fairtrade).

Procurement practices (GRI 204); proportion of purchasing volume, which is certified according to recognized standards (GRI FP2).

Promotion of healthy nutrition:

For example, products with less sugar, nutritional labeling or dietary tips for a more varied and healthier and healthier diet

Healthy and affordable food (FP)

Ecological aspects in the supply chain:

For example, consideration of ecological aspects in the supply chain/purchasing of goods by REWE Group (e.g.

Reduction of pesticides and chemicals to protect biodiversity, protection of biodiversity, protection of areas with water stress, deforestation-free land use)

Environmental assessment of suppliers (GRI 308)

Social aspects in the supply chain:

For example, consideration of social aspects in the supply chain/purchasing of goods by REWE Group (e.g. with regard to human rights human rights, avoidance of forced and child labor child labor, appropriate remuneration)

Social assessment of suppliers (GRI 414),

Human rights compliance audit (GRI 412).

Animal welfare:

For example, compliance with and improvement of animal welfare standards (e.g. more space for animals, no castration of pigs without of pigs without anesthesia, no shortening of beaks),

Protection of animal rights at travel destinations.

Animal welfare (FP10)

Transparency and customer awareness:

For example, labeling of products and services

(e.g. comprehensible information on husbandry conditions, traceability, sustainability seals and labels for products and travel and travel)

Promote sustainable consumption (GRI 417).

More environmentally friendly packaging:

For example, avoid, reduce, and improve

Packaging (including through plastic-free or unpackaged goods,

Reusable packaging and take-back systems, recycling of packaging)

Materials (GRI 301)

#### Energy, climate and environment

Operational resource conservation:

For example, energy efficiency (including LED lighting and efficient refrigeration units in the stores), more sustainable construction (e.g., stores built in accordance with the standards of the German Sustainable (DGNB) standard, hotels), reduction in water consumption, consistent waste management

Materials (GRI 301), Green Building (RG1).

Climate protection:

For example, avoidance of CO<sub>2</sub>

-emissions and other

greenhouse gas emissions (e.g., through more climate-friendly product products, renewable energies, climate-friendly refrigerants for refrigeration refrigerants for cooling systems)

Emissions (GRI 305)

More sustainable logistics:

For example, optimized route planning, optimal vehicle utilization, modernization of the company's own vehicle fleet own vehicle fleet

Energy (GRI 302), emissions (GRI 305)

\* The topic "Digital Responsibility" is not an explicit topic of the GRI Standards. The abbreviation "RG 2" therefore does not represent a link to the GRI standards, but stands for a separate REWE Group indicator.

Employees:inside

Occupational health and safety:

For example, prevention of occupational accidents and occupational illnesses (e.g. through preventive measures for physically physically demanding activities), promotion of health (e.g. through (e.g., through sports and relaxation programs).

Occupational health and safety (GRI 403)

Training and continuing education:

For example, diverse entry-level and training opportunities, demand-oriented further training (face-to-face and digital), regular assessment and feedback, diverse development opportunities

Training and development (GRI 404)

Work and life phases:

For example, ensuring the compatibility of work and family/private life (including flexible working models such as home office, part-time, flexitime, care or family care periods, sabbaticals),

Support for reintegration into

Employment (GRI 401)

Fair working conditions in own operations:

For example, ensuring and measuring employee satisfaction, fair wages, right to codetermination

Employment (GRI 401), employee-employer relationship (GRI 402)

Diversity and equal opportunity:

For example, recruitment, compensation and development opportunities (equal opportunities) for employees regardless of gender, origin, disability disability, religious or philosophical affiliation, age, or sexual orientation or sexual orientation, sensitization of employees with regard to anti-discrimination regarding anti-discrimination

diversity and equal opportunities (GRI 405),

Non-discrimination (GRI 406)

Social commitment

Commitment to nutrition education and physical activity:

For example, support for projects to promote balanced nutrition and physical activity (e.g. at kindergartens).

Indirect economic impacts (GRI 203)  
Commitment to biodiversity and environmental protection:  
For example, support for projects to protect the environment and conservation of biological diversity  
Biodiversity (GRI 304)  
Support for people in need:  
For example, support for children, young people, refugees, the homeless, and the elderly.  
Local communities (GRI 413)

## Business

Dialog  
General disclosures (GRI 102)  
Digitalization & Sustainability:  
For example, responsible use of digital solutions (including creating more transparency in the supply chain by tracking products), conscientious supply chain by tracing products), conscientious handling of customer data  
Data protection (GRI 418),  
Digital responsibility (RG 2)\*  
Fair business relations  
Anti-competitive behavior (GRI 206)  
Integrity and compliance  
Anti-corruption (GRI 205)  
Political influence (GRI 415)  
Socio-economic compliance (GRI 419)  
Protection of customer data (GRI 418)

\* The topic "Digital Responsibility" is not an explicit topic of the GRI Standards. The abbreviation "RG 2" therefore does not represent a link to the GRI standards, but stands for a separate REWE Group indicator.

Sustainability in corporate management  
General information (GRI 102)  
Economic Performance  
Economic Performance (GRI 201)

\* The topic "Digital Responsibility" is not an explicit topic of the GRI Standards. The abbreviation "RG 2" therefore does not represent a link to the GRI Standards, but stands for a separate REWE Group indicator.

GRI  
102-49:

Changes  
at  
the  
Reporting

See provision  
of the  
Report content  
and  
Delimitation of topics

GRI  
102-45:

At  
Consolidated Financial Statements  
included  
Entities

The REWE Group companies for Germany and Austria, including the independent merchants in the partnership model (included in the report), are covered by this report. and Austria including the independent merchants in the partnership model (referred to in the report as merchants). Where the coverage limits differ, this is made clear in the presentation of the data. data, this is made clear. For example, in the energy data of the Energy, Climate and Environment pillar also includes REWE Dortmund and the locations outside Germany and Austria. The key figures in the Employees pillar also include around 69,000 employees of the independent independent REWE retailers. The self-employed REWE retailers operate their stores predominantly predominantly in the REWE partnership model. Here, REWE and the merchant jointly establish a general merchant jointly establish a general partnership (oHG). The key figures include all merchants who can be recorded via a central accounting system - this is around 95 per cent. Since 2020, the approximately 2,800 employees of Lekkerland have also been included in the employee figures. have been taken into account in the key employee figures.

The social sustainability commitment of the independent traders is taken into account due to the wealth of activities and the of activities and their entrepreneurial independence, the social sustainability commitment of independent traders is only recorded in individual and reported accordingly. The same applies to the sites outside Germany and Austria.

GRI  
102-48:

Restatement  
of  
Information

REWE-ZENTRALFINANZ eG, Cologne, (RZF) together with its subsidiaries forms the REWE Group, an international group of companies in the trading and travel and tourism sector. tourism sector. With effect from May 1, 2019, RZF acquired, with the exception of eight shares all restricted shares held by the shareholders of REWE - Zentral-Aktiengesellschaft, Cologne (RZAG). Following the acquisition of the remaining eight shares, RZF has held all shares in RZAG since June 17, 2020. shares in RZAG since June 17, 2020.

In the context of the acquisition of the Lekkerland Group with effect from January 1, 2020, the new Convenience business unit was formed. It comprises the divisions Convenience Germany, Convenience International and Convenience Central Companies. In the divisions Convenience

Germany, which also includes REWE To Go, which was part of the Retail Germany business unit until December 31, 2019.

Germany business area until December 31, 2019 - where 17 stores are operated - and Convenience International business units supply, among others, gas station stores, department stores, food and beverage stores, fast-food chains, kiosks, canteens, bakeries and other providers of convenient on-the-go convenient enjoyment on-the-go.

GRI  
102-50:

Reporting period

The REWE Group Sustainability Report 2020 relates to the 2020 financial year (1 January 2020 to December 31, 2020) and was published on June 30, 2021. The editorial deadline was June 15, 2021.

GRI  
102-51:

Date  
of  
last  
Report

REWE Group's 2019 Sustainability Report was published on July 3, 2020.

GRI  
102-52:

Reporting cycle

REWE Group has published its Sustainability Report annually since 2017. Previously (2009 to 2016), the report was updated every two years.

GRI  
102-53:

Contact  
at  
questions  
about  
Report

Many experts from different units of the REWE Group have contributed to the contents of this sustainability report.  
units of the REWE Group have contributed to the contents of this report. They implement sustainability in different

departments, countries and subject areas. The Corporate Responsibility department under the Nicola Tanaskovic is responsible for the preparation of the report and is available as a contact person for all questions:  
nachhaltigkeit@rewe-group.com  
Phone: +49 221 149-1791

Editorial note: In this report, REWE Group uses appreciative and gender-sensitive language. appreciative and gender-appropriate language. In this context, the so-called gender colon is used, which is placed after a masculine designation or the root of a word and before the feminine female ending. This addresses not only men and women, but also people with who do not belong to either the male or female gender. For not individually named groups such as "suppliers," "producers," "manufacturers," "producers," or or "partners" as well as for established notations in the Group (e.g. "employee satisfaction"), however the generic masculine is used.

GRI  
102-54:

Explanation  
to  
Reporting  
in  
accordance  
with  
the  
GRI Standards

This report has been prepared in accordance with the GRI Standards: Core option.

GRI  
102-55:

GRI Content Index

As in the previous year, the Sustainability Report 2020 is based on the GRI Standards. In the execution of the Materiality Disclosures Service, the GRI Services Team confirms that the GRI Content Index is presented in a comprehensible manner and that the references for disclosures 102-40 to 10249 are are consistent with the corresponding sections in the report.

Disclosure Link to website  
GRI 101: Basics 2016  
GRI 102: General Disclosures 2016  
Organization Profile  
GRI 102-1: Name of organization  
GRI 102-2: Activities, brands, products and services  
GRI 102-3: Headquarters of the organization  
GRI 102-4: Operating facilities  
GRI 102-5: Ownership structure and legal form  
GRI 102-6: Markets served  
GRI 102-7: Size of organization

GRI 102-8: Information on salaried and other employees  
GRI 102-9: Supply chain  
GRI 102-10: Significant changes in the organization and its supply chain  
GRI 102-11: Precautionary approach or principle  
GRI 102-12: External initiatives  
GRI 102-13: Membership of associations and interest groups  
Strategy  
GRI 102-14: Statement by the chief operating decision maker  
Ethics and integrity  
GRI 102-16: Values, principles, standards and norms of conduct  
GRI 102-17: Procedures for consultation and concerns regarding ethics  
Corporate governance  
GRI 102-18: Governance structure  
GRI 102-19: Delegation of authority  
GRI 102-20: Responsibility at Management Board level for economic, environmental and social issues  
REWE Group Portrait  
REWE Group Portrait  
REWE Group Portrait  
REWE Group Portrait  
REWE Group Portrait  
REWE Group Portrait  
REWE Group Portrait  
Employee Structure  
Supply Chain  
REWE Group Portrait  
Risk Management  
Product-Related Risk Analysis  
Industry initiatives and  
Memberships  
Industry Initiatives and  
Memberships  
Foreword Lionel Souque  
Principles and guidelines  
Compliance  
Sustainability strategy  
Sustainability strategy  
Sustainability strategy

## Topics

GRI 102-21: Dialogue with stakeholders on economic, environmental and social issues  
Stakeholder engagement  
GRI 102-40: List of stakeholder groups  
GRI 102-41: Collective bargaining agreements  
GRI 102-42: Identification and selection of stakeholders  
GRI 102-43: Approach to stakeholder engagement  
GRI 102-44: Key issues and concerns raised  
Approach to reporting  
GRI 102-45: Entities included in the consolidated financial statements  
GRI 102-46: Approach to determining report content and delineating topics  
GRI 102-47: List of significant topics  
GRI 102-48: Restatements of information  
GRI 102-49: Changes in reporting  
GRI 102-50: Reporting period  
GRI 102-51: Date of most recent report  
GRI 102-52: Reporting cycle  
GRI 102-53: Contact point for questions regarding the report  
GRI 102-54: Statement on reporting in accordance with GRI standards  
GRI 102-55: GRI content index  
GRI 102-56: External assurance  
Material topics  
GRI 201: Economic performance 2016



GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 201-1: Direct economic value generated and distributed  
GRI 201-3: Liabilities for defined benefit pension plans and other postretirement benefit plans  
GRI 203: Indirect economic impact 2016  
Sustainability strategy  
Stakeholder dialogue  
Employee structure  
Stakeholder dialog  
Stakeholder dialog  
Stakeholder dialog  
Report profile  
Materiality analysis  
Materiality analysis  
Report profile  
Occupation and life phases  
Employee structure  
Materiality analysis  
Report profile  
Report profile  
Report profile  
Report profile  
Report profile  
Report profile  
Report profile  
Economic performance  
Economic performance  
Economic performance

GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 203-1: Infrastructure investments and subsidized services.  
GRI 203-2: Significant indirect economic impacts.  
GRI 204: Procurement practices 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 204-1: Proportion of spending on local suppliers  
GRI FP1: Proportion of purchasing volume procured in accordance with the company's guidelines.  
guidelines of the company  
GRI FP2: Percentage of purchasing volume that is certified according to recognized standards  
GRI FP: Healthy and affordable food products  
GRI 205: Anti-corruption 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 205-1: Operating sites audited for corruption risks  
GRI 205-2: Communication and training on anti-corruption policies and procedures.  
Anti-corruption  
GRI 205-3: Confirmed incidents of corruption and actions taken  
GRI 206: Anti-competitive behavior 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 206-1: Legal proceedings due to anti-competitive behavior or cartel and  
monopoly formation  
GRI 207: Taxes 2019  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 207-1: Tax approach  
GRI 207-2: Tax governance, control and risk management  
GRI 207-3: Stakeholder engagement and management of tax concerns  
GRI 301: Materials 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 301-1: Materials used by weight or volume.  
GRI 301-2: Recycled feedstocks used.  
Projects and subsidies  
Projects and subsidies  
Projects and subsidies  
Green products

Regionality  
Focus raw materials - Food  
Focus raw materials - non-food  
Organic  
PRO PLANET  
Nutrition  
Compliance  
Compliance  
Compliance  
Compliance  
Compliance  
Compliance  
Taxes  
Taxes  
Taxes  
Taxes  
Materials  
Packaging  
Materials  
Packings  
Materials

GRI 302: Energy 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 302-1: Energy consumption within the organization  
GRI 302-3: Energy intensity  
GRI 302-4: Reduction in energy consumption  
GRI 303: Water 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 303-3: Water withdrawal  
GRI 304: Biodiversity 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 304-2: Significant impacts of activities, products and services on Biodiversity  
GRI 305: Emissions 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 305-1: Direct GHG emissions (Scope 1)  
GRI 305-2: Indirect energy-related GHG emissions (Scope 2)  
GRI 305-3: Other indirect GHG emissions (Scope 3)  
GRI 305-4: Intensity of GHG emissions  
GRI 305-5: Reduction of GHG emissions  
GRI 305-6: Emissions of ozone-depleting substances (ODS)  
GRI 305-7: Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions  
RG1: Green Building  
GRI 103: 2016 Management Approach (including 103-1, 103-2, 103-3).  
RG1-1: Number of REWE stores that meet the requirements of DGNB e.V. (Green Building) comply  
GRI 306: Waste 2020  
Packaging  
Energy  
Energy  
Energy  
Energy  
Operational water consumption  
Operational water consumption  
Biodiversity  
Biodiversity  
Climate protection at company level  
Climate protection in the supply chain  
Climate protection at company level  
Climate protection at corporate level

Climate protection at corporate level  
Climate protection at company level  
Climate protection at corporate level  
Logistics and mobility  
Climate protection at company level  
Climate protection at company level  
Logistics and mobility  
Green Building  
Green Building

GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 306-1: Waste generated and significant waste-related impacts  
GRI 306-2: Management of significant waste-related impacts  
GRI 306-3: Waste generated  
GRI 307: Environmental compliance 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 307-1: Non-compliance with environmental laws and regulations  
GRI 308: Environmental assessment of suppliers 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 308-2: Negative environmental impacts in the supply chain and actions taken.  
Animal Welfare  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3).  
GRI FP10: Physical alteration of animals  
GRI 401: Employment 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 401-1: New hires and employee turnover  
GRI 401-3: Parental leave  
GRI 402: Employee-employer relationship 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 402-1: Minimum notice period for operational changes  
GRI 403: Occupational health and safety 2018  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 403-1: Occupational health and safety management system  
GRI 403-2: Hazard identification, risk assessment and investigation of incidents  
GRI 403-3: Occupational health services  
GRI 403-4: Employee participation, consultation and communication on occupational health and safety  
Health and Safety  
Waste  
Waste  
Waste  
Waste  
Compliance  
Compliance  
Ecological aspects in the supply chain  
Ecological aspects in the supply chain  
Animal Welfare  
Animal Welfare  
Occupation and life phases  
Occupation and life phases  
Occupation and life phases  
Employee-employer relationship  
Employee-employer relationship  
Occupational health and safety  
Occupational health and safety  
Occupational safety and health  
Occupational health and safety  
Occupational health and safety  
GRI 403-5: Employee training on occupational health and safety  
GRI 403-6: Promoting the health of employees  
GRI 403-7: Avoidance and minimization of impacts on occupational health and safety directly related to

business relationships  
directly related to business relationships  
GRI 403-9: Work-related injuries  
GRI 404: Training and development 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 404-2: Programs to improve employee competencies and provide transition assistance  
GRI 404-3: Percentage of employees receiving regular appraisal of their performance and their professional development  
GRI 405: Diversity and equal opportunity 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3).  
GRI 405-1: Diversity in control bodies and among employees  
GRI 405-2: Equal pay for work of equal value  
GRI 406: Non-discrimination 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 406-1: Incidents of discrimination and remedial action taken  
GRI 412: Human rights compliance audit 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 412-2: Training provided to employees on human rights policies and procedures  
GRI 413: Local communities 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 413-2: Business activities with significant actual or potential negative impacts on local communities  
GRI 414: Social assessment of suppliers 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3).  
GRI 414-2: Negative social impacts in the supply chain and actions taken.  
Occupational health and safety  
Occupational health and safety  
Occupational health and safety  
Occupational health and safety  
Training and education  
Education and training  
Education and training  
Diversity and equal opportunities  
Diversity and equal opportunities  
Diversity and equal opportunities  
Equal treatment  
Equal treatment  
Social aspects in the supply chain  
Social aspects in the supply chain  
Child protection  
Child protection  
Social aspects in the supply chain  
Living wages  
Women in the supply chain  
Social aspects in the supply chain  
  
GRI 415: Political influence 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 415-1: Party donations  
GRI 416: Customer health and safety 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 416-1: Assessing the impact of different product and service categories on health and safety  
GRI 416-2: Non-compliance related to the impact of products and services on health and safety  
GRI 417: Marketing and labeling 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 417-1: Requirements for product and service information and Labeling  
GRI 417-3: Non-compliance related to marketing and communications

GRI 418: Protection of customer data 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3)  
GRI 418-1: Substantiated complaints related to breaches of protection and loss of  
of customer data  
GRI 419: Socio-economic compliance 2016  
GRI 103: Management approach 2016 (including 103-1, 103-2, 103-3).  
GRI 419-1: Non-compliance with laws and regulations in the social and economic  
sphere  
GRI 102-56:

External audit

In order to ensure quality and credibility, REWE Group has selected data of its  
reporting by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft with limited assurance.  
audited with limited assurance. Audited parts of the report are marked with a. The  
The auditor's report contains general data on the audit assignment as well as a description of the

Cooperation with politics

Cooperation with policy

Customer health and safety

Customer health and safety

Customer health and safety

Promoting sustainable consumption

Promoting sustainable consumption

Promoting sustainable consumption

Data privacy

Data privacy

Compliance

Compliance

REWE Group Sustainability Report 2020

EconomicPerformanceEconomicPerformance

REWE Group's long-term corporate success is based on its cooperative structure, which is characterized  
by values such as solidarity  
structure, which is characterized by values such as solidarity, cohesion and sustainability. The  
cooperative self-image, the management culture that has grown out of it, and the associated long-term  
and the associated long-term, cross-generational orientation create security and stability for all  
stakeholders, whether they are members, employees or members of the cooperative.  
and stability for all stakeholders - whether they are members, employees, customers, suppliers, or the  
entire  
socio-economic environment. The Supervisory Board, the shareholders, the merchants and the  
REWE Group's Management Board are therefore committed to the long-term  
cooperative structure as a guarantee of independence and self-determination.

GRI  
201:  
Economic  
Performance

Management approach

REWE Group aims to be economically successful in the long term and to conduct its business activities in  
an environmentally  
in an environmentally and socially compatible manner. This principle is anchored in the guideline  
for  
Sustainable  
which is binding for all employees and contractual partners of REWE Group.  
Group's contractual partners. In the guideline, the company commits itself to, among other things  
greenhouse gas emissions generated by its business processes, to the use of renewable

use of renewable energy sources and the careful use of natural resources.  
In addition, the company is making a contribution through the development of more socially and environmentally compatible and environmentally compatible products and services, and by expanding its more sustainable product range.  
the company helps to minimize the negative impact of its business activities.

## Sustainable Finance

In 2021, REWE Group agreed for the first time on a credit line that is based on the ESG rating of the ISS ESG rating agency. It comprises a volume of 750 million euros and a term of 18 months. With this REWE Group is thus expanding its sustainability strategy to include the financial sector - because the credit line is linked to sustainability factors such as labor such as labor standards, climate protection, and environmentally and socially and socially advantageous products. REWE Group has been rated "C+" by ISS ESG. "C+" rating. This corresponds to the "Prime" level. The transparency level of the company is given the status "very high". To underline its commitment to sustainability in the financial sector, REWE Group is represented by its REWE Group is represented by its Head of Finance in the Sustainable Finance Advisory Board of the German Federal Government. This advisory board is made up of representatives from the financial and real economy, civil society and science. advises the German government on the development and implementation of its Sustainable implementation of its sustainable finance strategy.

## GRI 201-1:

Directly generated and distributed economic value

REWE Group's total external turnover increased to 75.3 billion euros in 2020. The turnover of the REWE Group - excluding independent retailers and at-equity companies

-  
adjusted for exchange rate effects grew by 23.9 per cent from 55.3 billion euros to 68.2 billion euros (for further details see also the Group Management Report for the fiscal year 2020 starting on page 13).

Due to the Covid 19 pandemic, consolidated net sales in the Tourism business unit decreased Tourism business decreased by 73.9 percent from 5 billion euros in 2019 to 1.3 billion euros in 2020.

## Revenue development

	in € million	2020	2019	Change absolute	Change in Percent
Retail Germany	34,737.5	32,317.2	2,420.3	7.5	
Retail International	15,877.1	15,209.1	668.0	4.4	
Convenience	13,083.8	0.0	13,083.8	-	
Home Improvement	2,656.3	2,214.8	441.5	19.9	
Tourism	1,296.2	4,958.3	-3,662.1	-73.9	
Other	578.4	585.3	-6.9	-1.2	
Total	68,229.3	55,284.7	12,944.6	23.4	

Key earnings figures

	in € million	2020	2019	Change absolute	Change in Percent
Sales revenue	68,229.3	55,284.7	12,944.6	23.4	
Cost of materials including					
Changes in inventories					
	-52.850,6	-41.477,0	-11.373,6	27,4	
Gross profit	15,378.7	13,807.7	1,571.0	11.4	
Gross profit ratio	22.5 %	25.0 %			
EBITDA	4,368.2	4,063.5	304.7	7.5	
Depreciation, amortization					
and impairment losses in € million					
(excluding goodwill)					
	-3.145,7	-3.153,5	7,8	0,2	
EBITA	1,222.5	910.0	312.5	34.3	
Impairment losses on					
Goodwill					
	-2,6	0,0	-2,6	0,0	
EBIT	1,219.9	910.0	309.9	34.1	
Financial result	-493.1	-538.6	45.5	8.4	
EBT	726.8	371.4	355.4	95.7	
Taxes on income and					
of income					
	-281,3	135,2	-416,5	< -100	
Result from continuing					
Business units in € million					
	445,5	506,6	-61,1	-12,1	
Result from discontinued					
discontinued operations					
	-30,2	0,3	-30,5	< -100	
EAT/profit for the year	415.3	506.9	-91.6	-18.1	

GRI 201-3:

Liabilities  
for  
defined benefit  
pension plans  
and  
other  
pension plans

REWE Group pension fund

In view of demographic developments, additional provision for old age is becoming increasingly important.  
is becoming increasingly important. REWE Group is aware of this and offers its employees a company

pension plan

employees with the REWE Group pension fund, a company pension plan that is especially which is specifically geared to the needs of employees in the retail sector.

In addition to retirement benefits, the REWE Group pension fund also provides benefits in the event of disability and death.

disability and death and can also be continued in the event of a change of employer.

In addition, REWE Group guarantees the security of the contributions paid in and supports the employees with an employment insurance.

employees with an employer-financed contribution of up to 300 euros per year.

per year. The company subsidizes employees' own contributions from gross salary conversion with a

with a subsidy of up to 15 per cent. In Austria, REWE

International AG offers a comparable model in Austria.

## REWE Group's higher pension scheme

The benefits of the German statutory pension insurance are limited up to the so-called contribution assessment ceiling. For employees with incomes above this limit, the need for action is the need for additional pension provision is greater, because the gap between the last salary and the between the last salary and the highest possible statutory pension entitlement can be very large. can be very large. In order to meet the interests of this target group as well, REWE Group offers with REWE Group offers its own pension model in the form of REWE Group-Höherversorgung. The advantage is

the tax-exempt possibility of saving even larger employee-financed contributions by means of contributions through gross salary conversion. As national social security and tax law determine the framework

and tax law determine the framework conditions for occupational pension plans, there are special forms of pension provision.

## Historical pension models

In addition to the above-mentioned active pension models, both defined-contribution and defined-benefit and defined benefit plans of employees of companies acquired in the past are continued and are and, where applicable, are reflected in the pension provisions of the annual report.

Annual Report.

In 2020, the present value of the defined benefit obligation (DBO,

DBO) amounted to 1,270.5 million euros (plus 261.5 million euros of pension-related obligations).

obligations; 2019: 1,143.9 million euros and 256.6 million euros, respectively). Further disclosures

can be found in the Group management report

for

the

fiscal year

2020 starting on page 145.

## Other benefits

Other employee benefits relate to the voluntary above-tariff special payments and voluntary



special payments and voluntary social benefits such as surviving dependents' benefits and benefits, the volume of which is shown as part of the so-called "pension-like obligations". obligations".

Voluntary  
above-tariff  
special payments  
according to  
sales division,  
in  
Euro

Sales division	
Year	
Euro	
Trade Germany	
2018	
59.117.549	
2019	
62.775.994	
2020	
65.273.060	
International Trade (Austria)	
2018	
-	
2019	
-	
2020	
-	
Convenience	
2018	
90.043	
2019	
106.477	
2020	
214.620	
Tourism	
2018	
245.000	
2019	
234.000	
2020	
212.000	
Construction market	
2018	
2.699.678	
2019	
2.758.171	
2020	
2.758.635	
Other	
2018	
7.336.008	
2019	
7.783.293	
2020	
8.247.777	
Total (Scope NH report)	
2018	

69.488.278  
2019  
73.657.935  
2020  
76.706.092

The 13th and 14th salaries (vacation and Christmas bonuses) are governed by collective agreements in Austria and are therefore not subject to above-standard pay.

Company  
pension plan  
according to  
sales division,  
in  
Euro

Sales division  
Retail Germany  
Year  
2018  
Share of participants in  
company pension plan  
(of the total of all  
beneficiaries) in %  
19,2  
Contributions to occupational  
pension plan  
(employee +  
employer) in euros  
37.645.901  
2019  
18,6  
44.243.790  
2020  
17,4  
42.373.025  
International Trade (Austria)  
2018  
5,2  
620.400  
2019  
5,3  
661.800  
2020  
5,2  
655.800  
Convenience  
2018  
11,7  
132.472  
2019  
10,2  
137.747  
2020  
35,9  
1.885.670  
Tourism

2018	62,2	5.631.000
2019	58,2	5.182.000
2020	63,7	4.615.000
Construction market		
2018	25,9	4.096.453
2019	24,1	4.250.087
2020	20,9	4.254.168
Other		
2018	40,1	6.128.106
2019	39,6	7.187.052
2020	37,2	6.674.362
Total (Scope NH report)		
2018	18,5	54.254.332
2019	17,7	61.662.476
2020	16,9	60.458.025

In Austria, a company pension scheme for employees has been in place since September 2010. The company pension for executives in Austria is not shown in the table.

GRI 102-48: Since the reporting year 2020, in addition to the pension fund and the higher pension, other investment types of the company pension plans (direct insurance, provident fund) have also been taken into account since the 2020 reporting year. Data were adjusted retroactively and no longer correspond no longer correspond to those of the Sustainability Report 2019.

## REWE Group Sustainability Report 2020

### ComplianceCompliance

Conduct that complies with the law and the prevention of violations of laws and regulations ensure the sustainable success of a company. Violations of rules can result in personal liability (for example (e.g., claims for damages and criminal consequences) for individual individual employees or the members of REWE Group's corporate bodies and can lead to reputational loss of reputation. For a trading and travel and tourism company, there are particular

compliance risks in price fixing, the exploitation of market power in dealings with suppliers and in the acceptance of personal advantages.

GRI  
205:  
Anti-corruption  
GRI  
206:  
Anti-competitive  
Behavior  
GRI  
307:  
Environmental Compliance  
GRI  
419:  
Socio-economic  
Compliance

Management approach

Integrity and fairness in business dealings and in our dealings with one another are included as important values in the mission statement of REWE Group's mission statement. With the Code of Conduct of the REWE Group Code of Conduct, the company has also defined standards of behavior that are mandatory for all Group are binding.

In the course of the introduction of an anti-corruption system, various behavioral guidelines for and employees, and internal anti-corruption officers and an external ombudsman have been appointed. as well as an external ombudsman. In February 2009, REWE Group appointed a Chief Compliance Officer in February 2009 and since June 2010 the central department Governance

Governance & Compliance has been bundling and coordinating the activities of REWE Group. He is supported by decentralized Compliance Officers in the respective business units and national companies. contact persons in the respective business units and national companies.

The Compliance Management System (CMS) of REWE Group pursues the goal of preventing violations of legal and internal legal and internal company regulations and thus to prevent damage to the company and the personal damage to the company and the personal liability of corporate bodies and employees. employees. The CMS focuses on around 150 companies of the REWE Group, which are grouped according to selected according to certain criteria such as turnover size and number of employees. This ensures a high degree of coverage is achieved. Acquisitions will be successively integrated into the CMS. For example, the Lekkerland is to be integrated in 2021.

Within the framework of an efficient CMS, based on the IDW PS 980 standard, the REWE Group has

has set up a compliance program that includes a large number of preventive measures - such as risk assessments, training and consulting. Training courses for employees and special regulations concerning the handling of benefits for top executives or the purchasing areas are also part of the program. In 2015, the CMS was subjected to an external readiness check by a recognized auditing firm. As a result, since 2016 an audit of the CMS has been carried out in accordance with the recognized auditing standard (PS 980) of the IDW. The aim of the audit is the continuous improvement of the existing system. To this end, processes and work and work packages were developed and implemented. Subsequently, the second certification stage certification stage, the adequacy audit. Due to resource constraints, there were delays, as a result of which it is expected to be completed for the companies in the compliance companies in the compliance scope. Since 2016, the Governance & Compliance has been responsible for Group policy management at REWE Group. For this purpose, a company-wide process has been implemented for this purpose. All compliance-relevant Group policies are accessible are accessible to all employees in an interactive IT tool. The employees are informed of all changes and and new information on relevant Group policies are made available to employees via the the intranet.

GRI  
205-1:

Operating sites,  
the  
at  
corruption risks  
audited  
have been

An IT-based tool is used to systematically record corruption risks for the entire REWE Group (both nationally and internationally). international), corruption risks are systematically recorded and evaluated. It includes both domestic and foreign and foreign sites, so that 100 per cent of the sites in the compliance scope are audited. operating sites are examined. Appropriate measures are derived on the basis of the risks recorded and assessed. appropriate measures are derived. The main corruption risk identified is "Corruption in business transactions" has been identified as a significant corruption risk.

The framework conditions, policies and processes for uniform Group-wide compliance risks of antitrust violations and corruption are created by the Governance & Compliance created by the Governance & Compliance corporate center. Since 2011 annual compliance risk analyses have been carried out and suitable risk management measures have been have been developed and implemented. As part of the integration project Governance Risk & Compliance (GRC) integration project, business operation and compliance risks are jointly assessed, and transferred to a Groupwide system solution (for further information on risk management, please refer to the combined on risk management, please also refer to the combined Management Report for the fiscal year 2020, Page 33-41).

GRI  
205-2:

Communication  
and  
Training  
To  
guidelines  
and  
procedures  
on  
Anti-Corruption

For all administrative employees, there is a mandatory e-learning program at the national level. "Compliance Basics" on the proper handling of grants (anti-corruption). In the years 2018 and 2019, two new e-learning modules on ethics and anti-corruption were implemented. Refresher formats are also planned for both courses to ensure that the knowledge imparted is regularly refreshing of the knowledge imparted. The rollout was initiated in 2020 successively and in several and successfully implemented at the end of the year. All modules have available throughout the Group on the respective learning management systems.

The training courses are aimed equally at managers and employees. In addition In addition, targeted training courses were held in the reporting year - largely in the form of e-learning. and workshops were held in the reporting year - largely in the form of e-learning - in which employees were also employees were taught how to behave in a compliant manner, including in specific areas. The concept follows approach, which provides for training on a regular basis - in this way, over a period of two years, it is possible to

This enables almost 100 percent coverage of the relevant employees to be achieved over a period of two to three years.  
coverage of the relevant employees can be achieved over a period of three years.

On its website, REWE Group provides information on the topic of compliance, in particular on whistleblowing management. management, and presents the Code of Conduct at download the Code of Conduct. All REWE Group employees also have access to important compliance information via the intranet is also available to all REWE Group employees via the intranet and various team rooms.

Total number  
of  
employees,  
the  
in  
the  
Anti-corruption policy  
and  
the

procedures  
of the  
organization  
trained  
were

2018  
2018  
2019  
2019  
2020  
Non  
Management level  
Management level  
Management level  
Management level  
abManagement e  
absolute  
absolute  
absolute  
absolute  
Non-management level absolute  
Classroom training  
E-learning\*

Trade  
19  
1  
201  
61  
170  
4.451

Germany

Trade  
1.403  
141  
1.605  
137  
116  
6.237

International  
DIY store  
37  
0  
0  
0  
0  
1.426  
Tourism  
0  
0  
0  
0

0  
1.093

Other  
65  
11  
77  
32  
02.122

Total  
1.524  
153  
1.903  
230  
286  
15.329

\*In 2020, training due to the Corona pandemic was largely in the form of e-learning.  
conducted.

GRI  
102-17:

Procedures  
To  
Consulting  
and  
Concerns  
in  
regarding  
to  
the  
Ethics

In each business area of REWE Group, all employees have access to decentralized Compliance decentralized Compliance Officers (DCO) together with the Compliance Delegates.  
The same applies to the central Compliance department. All employees of REWE Group have the have the opportunity to contact these contact persons anonymously and at any time with contact persons at any time and anonymously. This can be done in writing, by e-mail or via the hotlines set up for this purpose.  
hotlines set up for this purpose.

Violations of statutory requirements or internal regulations, in particular with regard to corruption, can be reported via a Groupwide whistleblowing system. It serves to uniform and transparent procedure throughout the Group for dealing with compliance compliance information. Formal complaints can also be submitted to different areas of REWE Group, such as Management, Compliance, Quality Management, Purchasing or directly to the stores.

All employees of REWE Group and third parties - such as suppliers or business partners - can submit business partners - can report information to the responsible Compliance Officers or to an external



ombudsman. A Compliance Notice is a suspicion of a criminal offence, misdemeanor or other (also internal) violation of rules. These include particularly incidents of corruption or antitrust violations.

Contacts and telephone numbers can be found at <https://www.rewe-group.com/de/unternehmen/compliance>.

After the tip has been systematically recorded in the compliance tip tool, it is assigned to the responsible central department or DCO. This is followed by clarification of the by, for example, Corporate Auditing, Market Auditing, external attorneys or the internal lawyers or the internal compliance organization. These review the facts of the matter and inform Governance & Compliance of the results or the measures to be taken. or the measures to be taken. Their implementation, for example in terms of labor law or criminal law, is the responsibility of the operating units, are the responsibility of the operating units. After clarification, whistleblowers Once the matter has been clarified, whistleblowers receive confirmation of the outcome. If a report is not confirmed, all personal all personal data is deleted in accordance with the locally applicable data protection applicable data protection regulations.

GRI  
205-3:

Confirmed  
cases of corruption  
and  
taken  
Measures taken

In 2020, the Compliance unit received four reports of corruption, none of which were confirmed. none of which was confirmed. Sanctions are generally taken in the event of confirmed violations. are taken. For example, in the event of corruption violations by business partners, termination of the contractual relationship is initiated. the contractual relationship is initiated. As part of its whistleblower management system, REWE management system to protect the identity of whistleblowers and those affected. of whistleblowers and those affected. Comprehensive information on the persons concerned and on the measures under measures under labor law are not permissible for reasons of data protection, because they would personal data can be inferred from such information.

Together with the decentralized compliance officers, the Governance & Compliance central unit conducts regular workshops. Governance & Compliance holds workshops at regular intervals to jointly develop the compliance program and program and implement preventive measures to minimize compliance risks. risks.

GRI  
206-1:

Legal proceedings

based on  
of  
anti-competitive  
conduct,  
cartel and  
monopoly formation

REWE Group does not report on the total number of proceedings or their results, since these  
this information is subject to special confidentiality requirements.

GRI  
307-1:

Non-compliance  
of  
environmental laws  
and  
-  
regulations

REWE Group does not provide information on the monetary value of significant fines and the  
total number of non-monetary penalties for non-compliance with environmental laws and regulations,  
as this information is not available in the required quality throughout the Group. The

collection of this information is also not planned in the future, as the cost of  
the cost of obtaining the data is not in proportion to the benefit of this information.

GRI  
419-1:

Non-compliance  
of  
laws  
and  
regulations  
at  
social  
and  
economic  
area

REWE Group does not disclose the monetary value of significant fines and the  
total number of non-monetary penalties for non-compliance with laws and regulations, as this information  
is not  
this information is not available throughout the Group in the required quality. The collection of this  
information is not planned in the future either, as the effort involved in obtaining the data is not  
the benefits of this information. Information on legal risks is provided in the  
Group Management Report  
for  
the  
fiscal year  
2020

from  
Page  
33 reported. Other provisions for  
for court costs, litigation expenses and legal advice are disclosed in Note 35 of the  
Group Management Report  
for  
the  
fiscal year  
2020  
at  
Page  
154.

## REWE Group Sustainability Report 2020

### Taxes

As an internationally operating group, REWE Group bears a special responsibility for its actions. REWE Group pays taxes in all of the countries in which it operates and complies with the and complies with the tax laws in force there. It is aware that this finances important local investments in education important local investments in education, research or infrastructure. In its operating activities, REWE Group pursues the goal of meeting its tax obligations at all times. obligations at all times.

GRI  
207-1:  
Tax Concept  
GRI  
207-2:  
Tax  
Governance,  
Control  
and  
Risk Management  
GRI  
207-3:  
Inclusion  
of  
Stakeholders  
and  
Management  
from  
fiscal  
Concerns

### Management approach

The responsibility for the management and control of tax positions as well as for the compliance with legal and internal regulations throughout the Group is the overarching responsibility of the Management Board of REWE Group. The REWE Group Management Board has mandated Pro-Data GmbH Steuerberatungsgesellschaft to holistically ensure tax compliance in the REWE Group. Group. The Group Tax Management informs the Chief Financial Officer (CFO) of REWE Group of REWE Group about all significant tax issues and risks and their impact on the Group's impact on the Group's financial figures.

With its conservative tax strategy, which was jointly developed by the Management Board of REWEZENTRALFINANZ

eG and the management of Pro-Data GmbH

Steuerberatungsgesellschaft, the REWE Group aims to create a simple and

tax-efficient structure that enables business operations in all countries. The company pursues the strategy of fulfilling its tax obligations in full, always staying within the within the legal framework and to refrain from aggressive tax models.

The aim is to keep the burden of sales tax neutral and to reduce the taxation of profits to the to the minimum permitted by law. In addition, REWE

Group commits itself to a complete and timely declaration and strives for a constructive and trustworthy trustworthy cooperation and open and transparent communication with the tax authorities. financial authorities.

In order to ensure compliance with statutory regulations and to minimize the risk of of violations of the rules or to identify them in a timely manner, REWE Group has implemented a system implemented a system that is designed to ensure the compliance of tax management (Tax Compliance Management System, TCMS). The TCMS is audited by an external auditor. audited. The auditor has confirmed the adequacy and effectiveness of the TCMS.

The Tax Compliance Officer (TCO) is responsible for the implementation, monitoring and further development of the TCMS.

development of the TCMS. Monitoring is based on audits by an auditing firm and auditing firm and the internal auditing department, as well as audits by the tax tax offices and reports from tax officers or other employees of REWE Group.

REWE Group. The TCO analyzes the reports and, if necessary, initiates appropriate measures.

measures - with the aim of eliminating the sources of error in the future or correcting the error.

correct the error. In addition, the TCO can request the responsible parties to monitor the implementation of the measures.

measures.

REWE Group Sustainability Report 2020

CooperationwithPolicyCollaborationwithPolicy

In order to support future-oriented economic, nutritional and environmental policies, REWE Group conducts

REWE Group engages in dialogue with politicians at various levels and promotes public discourse. public discourse.

GRI

415:

Political

Influence

Management approach

REWE Group maintains offices in Berlin as well as in Brussels as a platform for dialog and exchange with the stakeholders relevant to trading, travel and tourism and REWE Group. In this approach is not to exclude anyone from this dialogue who shares the values and principles of REWE Group.

REWE Group's values and principles.

In 2019, with the presentation of the EU Green Deal, the European Commission has published a roadmap that aims to make the EU economy as a whole more sustainable and to turn climate and environmental challenges into opportunities. REWE Group welcomes, that the EU Commission is setting a coherent framework so that in the next few years to set the course for achieving climate neutrality across Europe. The EU Green Deal will affect REWE Group in all business areas and activities, for example the Farm to Fork strategy for sustainable food supply chains or the EU's circular economy action plan. For years now, REWE Group has been intensively involved in the topics of the EU Green Deal for years. The expansion of regional value chains and combating food waste are just two examples. The long-term competitiveness of European companies is, in the view of REWE Group, inextricably linked to a sustainable, strategic approach to which the trading company continues to make its contribution.

During the reporting period, several background discussions and events were held, to which many decision-makers from different parties were invited. Due to the Covid 19 pandemic many of these dialogs took place digitally. Among the topics discussed were, such as locality, the introduction of Nutri-Score nutritional labeling on private label products, and the future of the tourism industry. Representatives of the REWE Group also held direct contact with elected officials as well as representatives of public authorities and administrations in order to sensitize them to relevant issues and to clarify the interests of the company. Furthermore, representatives of REWE Group participated as speakers, guests or discussants at events organized by public authorities, political parties and social issues relevant to the company. Because as a trading and REWE Group is affected by legislative processes such as the introduction of a due diligence law or the ban on the killing of chicks. In the reporting period public affairs work focused on the effects of the Covid 19 pandemic on REWE Group's business units. business units of REWE Group.

Donations to political parties or associations, public officials and public agencies as well as to churches and other religious groups must be approved by the responsible departmental and the Chief Compliance Officer of REWE Group. Each donation must be made in accordance with applicable laws and regulatory requirements within REWE Group, such as the Code of Conduct.

Since 2014, REWE Group has reported in the Transparency Register of the European Union on its Activities and annual expenditures for political dialogue at the European level.

GRI  
415-1:

Total  
political  
donations

REWE Group did not sponsor any political parties during the reporting period. For the merchants no information can be provided. Since 2016, REWE Group has been a member of both the Wirtschaftsforum der SPD e.V. as well as in the Wirtschaftsrat der CDU e.V. The costs of the two memberships add up to approximately 38,000 euros per year. In addition, REWE Group has been a member of the "Economic Advisory Council" of the Bundestag parliamentary group of Bündnis 90/Die Grünen.

## REWE Group Sustainability Report 2020

### Data Protection

Technical developments are constantly creating new possibilities for data collection and -processing. As a result, the significance of and requirements for reliable data protection. With the EU General Data Protection Regulation (EU GDPR), a new framework for the processing of personal data was created in 2018. As an internationally operating company, REWE Group processes personal data in its daily work - protecting this data is a top priority.

GRI  
418:  
Protection  
of  
Customer Data

### Management approach

The companies of REWE Group treat personal data confidentially as a matter of principle. REWE Group protects this data in accordance with the applicable legal requirements. REWE Group attaches particular importance to this - also against the backdrop of the increasing online offers of its sales brands.

Every inquiry submitted to REWE Group companies by customers or supervisory authorities with regard to data protection is documented, reviewed and processed. Internally and externally appointed data protection officers work to ensure that personal data and the processing programs used. They also support the further development of company-specific data protection and measures and advise the organizational units and departments. They are assisted and supported by data protection coordinators throughout the Group. The Data Protection Officers report directly to the management of the companies or to the central

to the central data protection management of REWE Group. This in turn reports regularly to the Management Board of REWE Group. In the reporting year 2020, there were 24 data protection officers within REWE Group there were 24 data protection officers.

Group-wide governance of data protection is the responsibility of the central Data Protection management as well as the management of the REWE Group data protection board, the consolidation of reporting and controls. Data Protection Management reports to the

Management Board and Supervisory Board. In addition, it is responsible for generating synergies between the activities of the data protection coordinators and data protection officers. conducting information and training campaigns for REWE Group.

With the Data Protection Board, REWE Group ensures that the Group-relevant implementation requirements for rulings on data protection during the year are clarified and made available to the responsible are provided via the data protection organization.

## Commitment to Data Protection

The entire Management Board of REWE Group has made the following commitment to the topic of data protection in the year the following commitment to data protection in 2018: "The goal of REWE Group as a group of trading and of trading and travel and tourism companies is to offer its customers comprehensive offers and outstanding services to its customers. To achieve this, it is the multitude of available data as an opportunity and to use it in such a way that the range of and to use it in such a way that the range of services can be tailored to needs and processes can be processes can be carried out more efficiently in the course of digitization. In the use of customer data, but also the data of employees and business business partners, it is of essential importance for REWE Group to comply with the legal requirements for the processing of personal data. data. This is important in order to secure and deepen existing trust and thus and thus to ensure the long-term success of the companies of REWE Group. Group companies in the long term."

In the reporting period, the Group-wide reporting on data protection was constantly optimized in order to improve the transparency of relevant fields of action for those responsible. The experience gained to date in implementing the EU Data Protection Regulation and court rulings on various data court rulings on various data protection issues during the year have been evaluated and are being

and have been incorporated into the optimization of data protection-related documentation and processes.

In addition, the target group-oriented training courses were expanded for both and - due to the Covid 19 pandemic - digital training courses were expanded. training courses.

In the reporting year, new data protection issues arising as a result of the pandemic were also addressed. data protection issues arising as a result of the pandemic and the necessary measures were implemented. For example, the data protection officers provided advice to the respective specialist departments of the REWE Group and examined the permissibility or inadmissibility of measures - for example, the collection of employee data. for example, in the collection of employee data in the event of a suspected infection or in the event of an actual infection by Covid-19. The decision was based on the Guidance issued by the data protection supervisory authorities on the handling of personal data including employee health data by employers. In addition, the REWE Group also provided its employees with additional information on the topic of the "Covid 19 pandemic and data protection". This includes, for example, information on the use of the Corona warning app from a data protection perspective.

GRI  
418-1:

Inquiries,  
Complaints  
and  
Reports  
to  
data protection violations

In the reporting year 2020, all data protection rights for customers of REWE Group were successfully clarified and concluded on time.

All complaints and notifications of potential data protection violations or infringements (189 cases in 2020; 2019: 137) were reviewed, processed and documented. In 24 cases data protection supervisory authorities were involved. These were either internally and reportable data protection violations or incidents that were brought to the attention of the supervisory authorities to REWE Group. The underlying were analyzed, technical or organisational measures were adjusted where necessary and the technical or organizational measures, if necessary, and the inquiring party - data subject or supervisory authority - was informed of the results and any measures taken.

REWE Group Sustainability Report 2020

DigitalResponsibilityDigitalResponsibility

Digitalization is a significant driver of fundamental changes in politics, science, business and society. The retail sector and the travel industry are also affected by the transformation through modern information technology and digital opportunities. groceries are increasingly being purchased via digital channels and travel booked online. Before As a pioneer in digital trading with food and all products related to nutrition, kitchen and household, kitchen and household, REWE Group is aware of its responsibility for customers, employees and suppliers, employees and suppliers. It is aware of the fact that digitalization offers great opportunities, but also that potential risks must be considered.

By using data-driven insights, REWE Group can optimize its business and make better and make more informed decisions. In this context, both needs-based for customers as well as the more efficient design of processes represent opportunities for responsible responsible use of data. In terms of sustainability, too, a responsible responsible use of digital products and services can also offer added value in terms of sustainability. value. For example, the use of data-related analysis tools saves resources, e.g., by by planning inventory and its delivery in line with demand. In addition technologies can help make supply chains more transparent. For example, the SELEGGT GmbH, a joint venture between REWE Group, HatchTech Group and the University of Leipzig, for example, uses a blockchain-based process to verify the supply chain of eggs. Another example is the use of a QR code, which customers can use to check for REWE's own-brand bananas and Fairtrade Biohelden bananas, as well as pineapples from PENNY pineapples, customers can trace the supply chain back to the producer. Since January 2020

traceability has also been possible for REWE Beste Wahl pineapples (for more information, see section



see section Focus Raw Materials

-  
Food).

Through REWE Group's intensive engagement with digital responsibility, it is able to  
the effects of digitalization, for example the loss of privacy in the use of data  
data use or possible discrimination by algorithms.

## Approach

REWE Group bears responsibility for its customers, employees and suppliers. Against  
the background of the digital transformation, it is only logical for the trading company,  
to live this responsibility in the digital space as well.

REWE Group understands Corporate Digital Responsibility (CDR), i.e. digital responsibility,  
in the sense of conscientious handling of data. The focus is on ethical data  
data use and data protection. Beyond this, however, REWE Group also understands CDR to be the  
interaction of the responsible use of various technologies. The aim is to,  
supporting digitalization and promoting digital skills. In addition, the  
data traffic is to be opened up - always in compliance with the relevant laws and a common  
common data ethics. For REWE Group, the focus of digitalization is on people at all times.  
at all times.

Due to the Corona pandemic, REWE Group employees have been working in their home offices to a large  
extent since March 2020.  
have been working in home offices to a large extent. Against this backdrop, REWE Group intensified its  
efforts to  
the year under review, REWE Group intensified its efforts to determine the extent to which mobile  
REWE Group's administrative locations even more strongly in the future.  
anchored. To this end, the project "REWE DNA - Your New Working World" was launched. Also  
data protection and the teaching of digital skills also play a major role here.  
play a major role.

REWE Group sees itself as having a responsibility to help shape digitalization responsibly.  
to help shape digitalization. To this end, the internal CDR working group was founded in 2019. Its  
members  
from various divisions and promote the exchange of ideas on the topic throughout the Group.  
throughout the Group.

REWE Group is actively involved in cross-company committees and associations,  
to anchor digital responsibility in the company. For example, REWE Group is working

in the Corporate Digital Responsibility Initiative of the German Federal Ministry of  
Ministry of Justice and Consumer Protection to create a common understanding of CDR.  
common understanding of CDR and to promote the exchange of experience. The aim of the  
is for more and more companies to make digitization people- and value-oriented.  
values-oriented approach to digitization. It also aims to give consumers a better overview of how  
how companies handle their data.

Artificial

intelligence:

A

Manifesto

The development of projects around artificial intelligence (AI; English "AI" for "Artificial Intelligence") requires future-oriented and reliable guidelines and instructions for action. REWE Group is also increasingly is increasingly involved with AI-supported applications and processes. Against this background, the company published the "AI Manifesto" was published. It clearly understandable, concrete recommendations to be taken into account when developing of AI applications. The manifesto creates an awareness of potential risks and hazards when dealing with AI technology and is thus intended to contribute to the development of sustainable and responsible systems.

REWE Group Sustainability Report 2020  
GreenProductsGreenProducts

The idea of sustainability has arrived in the middle of society. This is reflected in This is reflected in dietary and consumer behavior as well as in the choice of tourist offers: Current surveys show that 78 percent of the population at least occasionally buys organic products at least occasionally (source: BMEL: Ökobarometer 2020), while 56 percent of the population find ecological or social sustainability important when traveling on vacation (source: BMU: Reiseanalyse 2019). So more and more people are taking an interest in the social and ecological impact of their actions. It is important to them that products and services are produced under good working conditions and that the natural livelihoods are not damaged. Yet the same still applies: Sustainability is never the only sustainability is never the only decision-making criterion; quality and price are just as important. At the same time At the same time, consumers associate different facets with the term sustainability. For some it is about or resource conservation, while others attach more importance to social conditions or animal welfare. animal welfare.

REWE Group wants to take these needs into account and, at the same time, inspire more and more people for more sustainable products and services. REWE Group sees sustainability Group sees sustainability as a part of its business strategy that contributes to economic success and is an important growth driver. represents an important growth driver.

In order to position itself optimally for the future and to integrate sustainability as a fixed component in the procurement processes, REWE Group launched the Green Products 2030 strategy for its supply chains in 2017. Products 2030 strategy for the supply chains of its private labels, which are sold in Germany at REWE, PENNY and toom Baumarkt stores in Germany. The strategic approach is based on the core elements of the OECD Guidelines for Responsible Agricultural Supply Chains.

REWE Group's sales divisions sell both branded and private label products. The trading company holds regular discussions with the brand manufacturers and promotes the exchange on the topic of sustainability, for example, within the framework of

industry initiatives or through joint projects. This discourse and cooperation are important in driving the issue of sustainability forward. With its private label products however, REWE Group has a greater influence and thus a special responsibility. For this reason, this is the focus of its sustainability commitment.

## Strategic Approach

As a leading international trading and travel company, REWE Group is aware of its special role as an intermediary between manufacturers, service providers and consumers. The REWE Group's own-brand products have an impact on people, animals and the environment. The customers of REWE Group expect and should be able to rely on the fact that the trading company is aware of its responsibility in the supply chains of its private labels and that it addresses the impacts.

The Group is working to increasingly offer more sustainable product ranges. These organic and regional private-label products, as well as products for which REWE Group has made improvements in the supply chains. Since 2010 REWE, PENNY and toom Baumarkt have been using the PRO PLANET label to identify products that are produced in a more socially and ecologically sustainable production or meet higher animal welfare standards. It thus offers reliable and comprehensible orientation when shopping. In this way, REWE Group aims to promote sustainable consumption among a broad group of consumers. The ten-year anniversary in 2020 was taken as an opportunity to redesign the PRO PLANET label and the awarding process (for more information, see the PRO PLANET). And more sustainable offerings are also being created in tourism. For example, DER Touristik published its first magazine-style catalog in 2021, entitled "Bewusst Reisen." This shows hotels with sustainability certification and provides information about the destinations and the sustainable commitment of the hotels.

REWE Group's Green Products strategy defines the framework for minimizing the impact of its own-brand products on people, animals and the environment, and to take effective measures to be taken. The strategy embeds itself in the overarching sustainability strategy REWE Group's overall sustainability strategy and summarizes the strategic orientation and operational implementation of Sustainability in the Green Products pillar. The mission of the sustainability pillar

Green Products - "We act responsibly for people, animals and the environment" - forms the the umbrella of the strategy, to which specific measures are aligned.

The basis for the strategy development was a comprehensive analysis of the sustainability risks and impacts of REWE Group in the supply chains of its private label products. Other important components of the strategy development were the survey of stakeholders and customers as well as political and scientific analyses and objectives (e.g., of the Sustainable Development Goals of the United Nations). With the help of an opportunity and risk analysis, environmental, social and company data were evaluated in order to assess and sustainability impacts of the products and to identify where the greatest sustainability impacts (for more information, see the section on product-related risk Risk Analyses). Based on this, it was possible to assess the impacts on people, animals and the environment that

the environment in connection with our private label products could be quantified in monetary terms. values.

The analysis showed, among other things, that the extraction of raw materials and the processing of the products in particular are highly relevant. processing of the products are highly relevant in terms of sustainability criteria. The holistic view of the supply chain is an important element of the sustainability sustainability strategy, which is increasingly becoming an integral part of the purchasing processes and requires a close exchange with direct and indirect suppliers. From the analysis 25 aspects have emerged from the analysis, which REWE Group has summarized for the operationalization of the strategy in the following fields of action:

- 

People

- 

Animal

- 

Environment

The strategy is implemented through a comprehensive management approach, which defines the Principles and tools to implement the measures defined:

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 analyses of merchandise areas, specific products or raw material supply chains. On the other hand, the assessment and experience of the external NGO Advisory Board for Sustainability, as well as other stakeholders such as producers, suppliers and also employees.

2.

Derivation of focus areas and targets:

On the basis of the risk analyses carried out, focus raw materials and topics, as well as and measures were defined, which are adapted and questioned in the event of new results or and questioned in the event of new results or findings.

3.

Definition and implementation of measures:

Measures to achieve the objectives and address the focus raw materials and topics are are implemented at three different levels of cooperation:

3.1 Internal collaboration.

Through internal awareness raising and training, the continuous analysis of opportunities and risks and the formulation of strategies and goals, REWE Group further integrates the sustainable procurement further into the purchasing processes with the aim of, sustainability aspects in every supplier and/or product decision. taken into account.

### 3.2 Cooperation in the supply chain

In its collaboration with actors in the supply chain, REWE Group follows a three-stage approach, which includes the formulation of requirements, monitoring and the development of the actors. Business partners in the private label supply chains REWE Group are obliged to name the production sites where products are manufactured for REWE Group. By raising awareness and obligating the concrete rules are created to implement sustainability in the entire supply chain. supply chain.

Trainings support suppliers and producers in the implementation of the requirements of the of REWE Group and in further continuous improvement. In various REWE Group works directly with raw material producers on the challenges. challenges. In addition, transparency and the integration of sustainability as part part of the supplier evaluation process. Another important component in the supply chain work is the establishment of effective grievance mechanisms.

### 3.3 Cooperation with stakeholders

Sustainability along the supply chain can only work in the long term through cooperation with all the relevant stakeholders. REWE Group is in continuous exchange with a large number of stakeholders. stakeholders and is involved in various national and international initiatives, alliances and and international initiatives, alliances and forums.

Important elements include participation in external events, industry initiatives, partnerships, commitment to the further development of sustainability standards, and the as well as following relevant developments at the political and regulatory level.

## 4.

### Monitoring and Reporting:

The activities carried out are reviewed and evaluated. The findings from the monitoring are incorporated into the further development of the measures. In addition, REWE Group has defined a fourth field of action in the Green Products pillar defined:

- 

### Nutrition

With regard to nutrition, transparent information on the nutritional values of products and the adaptation of the product range play an important role.

as well as the adaptation of the product range play a significant role. The focus at REWE Group is focusing on reducing salt and sugar in its private labels. For this purpose, the company has published a published a strategy paper in which the processes and goals for salt and sugar reduction are and sugar reduction. In addition, REWE Group has started to introduce the so-called Nutri-Score-. labeling for the first REWE and PENNY private label products in 2020. products. The labeling will be successively expanded. Through this conspicuous REWE Group wants to provide consumers with additional support for a healthy diet. healthy nutrition.

In the 2020 reporting period, the Green Products pillar for food retailing in Germany was headed by

Marcel Weber.

under the leadership of Marcel Weber (Head of Private Label Purchasing & Development national/international).

Purchasing & Development national/international). For the implementation of the measures and the achievement of the targets set out in the Green Products 2030 strategy is the responsibility of the Sustainability Merchandise, headed by Dirk Heim, is responsible together with Purchasing and Category Management.

Within the firmly defined strategy and budget process, the aspects and focus topics identified are and focus topics for each area of action are prioritized for each merchandise area together with Purchasing and Category and category management, and are backed up by concrete measures. At the same time clear targets and responsibilities are also agreed. The annual strategy and budget and budget process, a regular review of the strategy and measures developed is firmly established. anchored. In this way, REWE Group ensures that current issues arising from changes in the general framework conditions are taken up.

Fields of action

Within the four fields of action, the following focus topics have been derived and assigned concrete measures. measures. They show which aspects within the fields of action present particularly particularly high risks and opportunities for REWE Group and are therefore being specifically addressed.

People: living wages and incomes, forced and child labor, and women in the supply chain. the supply chain

In a globalized world with complex trade relationships and a strong economic economic disparity between developing and industrialized countries, there is an unequal balance of power. balance of power. This can lead to social problems such as a lack of living wages and income or forced and child labor. And the discrimination of women also poses a challenge to global supply chains. REWE Group is committed to fair working conditions and the protection of human rights in the supply chain.

Animal: husbandry conditions

Farm animal husbandry is an essential branch of agricultural production - the husbandry conditions are crucial for the well-being of the animals. In today's production systems, these conditions are not always adapted to the natural needs of the animals. animals' natural needs. In addition, male animals in their supply chains are often not raised to slaughter maturity. As a food retailer, REWE Group is actively committed to more animal welfare in farm animal husbandry. This includes animal-friendly husbandry conditions, the rearing of rearing of male animals, cooperation with local farmers, the use of alternative breeds and the alternative breeds and limiting overbreeding.

Environment: circular economy, climate and biodiversity

The use of natural resources and competition for scarce resources such as freshwater, land and raw materials are

fresh water, land and raw materials are increasing worldwide. At the same time, global environmental environmental problems such as climate change, soil degradation and biodiversity loss. In the REWE Group's supply chain, environmental effects arise during the manufacturing of products. The company is aware of its responsibility and is committed to the careful use of natural measures for the careful use of natural resources along its supply chain. supply chain. In this way, effects on the aspects of biodiversity, climate and air, water and soil, as well as plastic and packaging.

Nutrition: a diverse and healthy diet

Another topic is nutritional issues. REWE Group is committed to a diverse and balanced diet. balanced diet. In addition to its commitment to educating people about healthy eating and exercise, the topic is also addressed in the design of the product range. Between 2018 and 2020, REWE and PENNY reviewed the entire private label assortment with regard to the sugar and salt content. Since 2018, more than 550 private label products have been tested on this basis. have been optimized with regard to sugar and/or salt content. In the process, no alternative sweeteners are used as substitutes. The sugar or salt content of the products is being reduced step by gradually so that customers can slowly get used to the new taste.

Targets and key performance indicators (KPIs)

As part of the strategy development process, targets and KPIs were defined for the following areas of action

targets and KPIs for the private labels were defined and approved as part of the strategy development process. The status

achievement is monitored with the aid of the defined KPIs and published in the sustainability report. published in the sustainability report.

Field of action People

With its measures in the area of People, REWE Group is pursuing the strengthening of human rights and improving working conditions in the supply chains.

KPI Target Status Measures

Percentage of strategically relevant production sites that are included in a training program (Capacity-Building)

100% by the end of 2030

See section

Introduction of a

Complaints mechanism-

system in relevant

Supply Chains

End 2025

In progress Target achieved Target not achieved

Field of action Environment

With its measures in the area of the environment, REWE Group pursues the protection of natural resources and the preservation of biodiversity along the supply chains.

KPI Target Status Measures

Percentage of relevant food and non-food producers who are involved in an environmental program integrated

100% by the end of 2030

See sections

/ Proportion of more environmentally friendly

Private label packaging

100 % by the end of 2030

Reduction of

greenhouse gas emissions in the supply chains of private label products compared to 2019  
15% by the end of 2030

See section  
In implementation Target achieved Target not achieved

Field of action Nutrition  
With its measures in the area of nutrition, REWE Group promotes a diverse and balanced diet.  
balanced diet.

Social  
aspects in the supply chain  
Ecological  
aspects in the supply chain  
Packaging  
Climate protection in the supply chain

KPI  
Target  
Status  
Measures

Proportion of private label items, 100 % by the end of 2020  
See section on nutrition

checked for sugar and salt  
salt content

Share of relevant\*  
50% by the end of 2020  
Own-brand articles for which

a reduction in sugar or salt  
has been implemented

In implementation  
Target achieved

❓  
Target not achieved  
\*Not relevant are, for example, mono-products such as rice, potatoes or flour, as well as products that have no added sugar/salt, such as mineral waters, cooking oils or vinegar.

Sustainable  
Development  
Goals

In its activities, the Green Products pillar also focuses on the global Sustainable Development Goals. development. To this end, REWE Group aligned its sustainability strategy with the



its sustainability strategy with the Sustainable Development Goals (SDGs) and identified and prioritized the identified and prioritized the SDGs relevant to it (see Strategy section). Three of the highest-rated SDGs fall under the responsibility of the Green Products pillar: SDG 12: Responsible Consumption, SDG 15: Life on Land, SDG 14: Life Under Water. The SDGs were also an important building block in the development of the Green Products Strategy 2030 (see section Strategic Approach).

Reporting

In the following sections of the GRI report, all approaches, data and topics of the pillar Green Products can be found:

- 

Biodiversity

- 

Organic

- 

Livelihood  
Wages  
and  
Income

- 

Focus raw materials  
-  
Food

- 

Focus Raw Materials  
-  
Non-Food

- 

Women  
in  
the

Supply Chain

- 

Nutrition

- 

Children and  
Forced Labor

- 

Climate protection  
in  
the  
Supply chain

- 

Customer health  
and  
Product Safety

- 

Sustainable  
consumption  
Promote

- 

Ecological  
Aspects  
in  
the  
Supply Chain

- 

PRO  
PLANET

-

Product-related  
Risk Analyses

- 

Regionality

- 

Social  
Aspects  
in  
the  
Supply Chain

- 

Animal welfare

- 

Packaging

- 

Water

REWE Group Sustainability Report 2020  
Product-related risk analysesProduct-related risk analyses  
REWE Group strives to reduce the ecological and social impacts of its actions wherever possible. In order to be able to implement this, REWE Group conducts analyses at various ecological risks at various levels: at the level of merchandise groups or raw materials to formulate level of product groups or raw materials in order to formulate strategies, as well as on the level of individual products, topics or countries in order to concretize the measures. Within this framework REWE Group continuously reviews its own performance and progress with a view to minimizing risks. minimization of risks. It reflects on conflicting goals both with experts within the company and with external company as well as with external stakeholders.

GRI  
102-11:  
Precautionary approach  
or  
Precautionary Principle

## Analysis of the social and ecological risks in the supply chains

REWE Group's risk analyses serve to determine and evaluate the effects of business activities on humans, animals and the environment. The aim is to identify the negative environmental and social impacts of private label products and where they occur. products have and at which points these occur. The analysis thus provides the basis for the strategic alignment in the area of more sustainable product ranges and serves to decide which measures are to be taken and with what priority - with the aim of minimizing identified risks and minimize identified risks and exploit opportunities. In this way, the information used to draw up the strategy  
Green  
products  
2030 strategy, which defines issues, key performance indicators (KPIs), targets and measures. measures are defined.

## Product-related Risk analyses: Retail

REWE Group Germany has conducted a formalized risk analysis for the supply chains of private label products sold in  
REWE and PENNY in Germany, REWE Group Germany has carried out a formalized risk analysis for food and non-food products.  
non-food products. For this purpose, the assortment of food and non-food products were divided into a total of 37 product clusters. The approach thus covers the entire assortment.

The approach is divided into two strands: a qualitative and a quantitative analysis. In the qualitative analysis, studies and reports were evaluated and interviews with buyers and NGOs were with buyers and NGOs in order to identify key sustainability issues along the value value chains. In addition to the ecological impacts, the risks in the area of and human rights were identified in addition to environmental impacts.

The quantitative analysis based on an input-output analysis is based on an economic model. model. For this purpose, the ecological impacts in the supply chain, such as greenhouse gas emissions, for example, were determined and converted into monetary amounts. The social impacts were assessed by identifying how many people are employed per commodity clusters are active in the entire supply chain. This data was compared with the purchasing volume of the company as well as information about production and countries of origin to specifically assess environmental and social risks in monetary terms. In this way, the external costs of the company's own business activities could be quantified for the individual commodity clusters.  
quantified for the individual product clusters. In this way, the environmental and social hot spots in the entire throughout the value chain and identify particularly high-risk product groups and focus raw materials. and focus raw materials were identified.

With the help of the analysis, it was possible to determine that the impacts are concentrated in the supply chain stages of raw material cultivation and the production process. the supply chain stages of raw material cultivation and processing. They are therefore the REWE Group's activities are therefore focused on these areas.

Impacts  
along  
the  
value chain

Cultivation/Breeding  
Processing  
LogisticsREWE Group  
Consumer:inside  
Disposal  
Animal Welfare &

Animal Health  
Air Emissions &  
Energy

Land use  
Water  
Human rights &

Working conditions  
Transport  
Transparency  
Food &

Health  
Waste (includes  
Food Waste and  
packaging)

highimpactgering  
In addition, the following critical commodities emerged from the analysis: fruits and vegetables in general with a special focus on bananas and pineapples, meat and dairy products including animal feed, coffee, cocoa, tea, palm oil, fish, orange juice, as well as Cotton, textiles, and natural stones (for more information, see sections on focus commodities

-  
Food or Focus Commodities  
-  
Non-Food).

Scorecards summarize the results of the analysis for each commodity cluster and give an overview of the social and environmental and provide an overview of the social and environmental costs of the respective products along the products along the value chain. Allocation to the five stages of the

value chain thereby enables a more detailed examination of the focus topics.

Example:  
Impact  
at  
Fruit  
and  
Vegetables

In the "Fruit and vegetables" commodity cluster, air emissions and energy, biodiversity, soil, water, working conditions and human rights were identified as key issues along the supply chain. supply chain. In addition to these topics from the value chain stages of raw material extraction

and processing, transparency and business practices, transport-related environmental impact and and CO2 emissions caused by transport, as well as packaging and food waste, were identified as identified as sustainability issues.

Scorecard  
Fruit  
and  
Vegetables  
-  
Overview  
ecological  
and  
social  
impacts

Raw material extraction  
Processing  
Transport  
Consumption  
Packaging / End of Life

Air Emissions / Energy  
Human Rights &  
Environmental impact  
Packaging  
Working conditions

Biodiversity  
Water  
CO2  
-emissions  
Foodwaste

Soil  
Transparency &  
Business practices

Water

Working conditions,  
Human Rights

Results  
at  
Commodity cluster  
"Fruit  
and  
Vegetables"

Focus topics

Air emissions & energy

- CO2  
-emissions due to the use of fertilizers as well as energy consumption in cultivation.

- CO2  
-emissions due to deforestation to obtain land for cultivation.

- Emissions due to transport  
Biodiversity

- Threats to biodiversity from pesticides, chemical use, etc.

- Threats to biodiversity from deforestation to create cultivated land and  
accompanying soil leaching, soil erosion.

Soil

- Leaching of cultivated soils

- Soil erosion

Water

- •  
Water pollution from fertilizers  
Waste of fresh water during cultivation as well as production/processing

Working conditions

- •  
•  
Occupational safety (handling of chemicals, pesticides, pollutants, etc.)  
Remuneration (e.g. of field workers, but also in processing)  
Limited access of smallholders to information, technology, and resources.

Human rights

- Risk of child labor and forced labor

The scorecards show the key issues and their relevance and present the individual findings in detail. findings in detail. A comparison of the results with the current sustainability activities of REWE Group Germany's current sustainability activities also results in necessary and measures to be taken.

In order to concretize the results, REWE Group is conducting supplementary examinations with regard to individual product areas, focus topics or vulnerable groups of people. Thus a risk analysis was conducted in 2019 in the area of forced labor (for more information, see the section Child and forced labor) and in 2020 in the area of women (for more information, see the Women section in global supply chains).

For more information, see also section Risk management.

Human rights  
Risk Analysis:  
DER  
Tourism  
Group

In order to obtain a comprehensive overview of the human rights risks in its value creation value chain and in the destinations, DER Touristik Group also carried out a human rights risk risk analysis. The first step was to identify and assess the actual and potential risks entrepreneurial activities were identified and assessed. For this purpose, a 2018 destination risk register was created for this purpose in 2018, which includes all the travel countries in the portfolio of DER Touristik Deutschland. portfolio are included. The destinations were assessed with regard to the severity of of human rights violations in a country (assessment on the basis of international standards and country reports) and the significance of the human rights risk area for the tourism industry. tourism industry.

Relevant human rights risks in tourism include:

- 

Children's rights

- 

Workers' rights

- 

Modern slavery



- 

Equal rights

- 

Local people's access to land, water and food

- 

Rule of law with a focus on personal rights

- 

Standard of living

- 

Corruption

- 

Political participation

- 

Rule of law with a focus on political rights

In the next step, DER Touristik prepared an analysis to prioritize the identified countries and Human rights issues to be prioritized. To do this, the severity of the impact of the human rights risks for a country in relation to the potential influence of DER Touristik. by DER Touristik (evaluated according to revenue and the business activities of DER Touristik in the Touristik business activities in the respective country). As a result, the violation of employee and children's rights was children's rights was identified as a particularly significant risk. Risk countries of high significance for DER Touristik are Thailand, South Africa and Egypt.

Based on the analysis, measures and targets were then derived to reduce the risks. reduce the risks. The risk analysis is repeated at regular intervals. The risk analysis planned for 2020 for the entire DER Touristik Group was postponed due to the Corona pandemic. was postponed. DER Touristik plans to continue the measures when the restrictions imposed by the pandemic allow it to do so again. pandemic allow this to happen again.

## Social Impact Assessment in Thailand

As a result of the risk analysis, in 2019 DER Touristik carried out a Social Impact assessment together with the Round Table for Human Rights. identified specific challenges in Thailand. These include working conditions, the involvement of local people in the value creation of value creation of tourism, the loss of cultural identity, women's rights and child protection. In addition, environmental environmental issues that have a direct impact on local communities, including water communities - including water scarcity and litter on beaches and in the in the oceans. Based on these findings, the next step is to prioritize step is to prioritize issues and develop concrete actions to remedy them. Comprehensive challenges such as modern slavery, sexual exploitation and land grabbing are also addressed through industry initiatives. addressed.

## REWE Group Sustainability Report 2020 RegionalityRegionality

Many consumers now take it for granted that they will look into the origins of their products. now a matter of course for many consumers. In particular, the regional origin of products is important to many customers. A regional assortment strengthens farmers and businesses from the surrounding and thus also the immediate surroundings of the consumers. At the same time short transport routes and seasonality can reduce the environmental footprint. footprint. The current materiality analysis of the REWE Group has shown that the relevance of these relevance of these topics has increased even further in 2020, a year influenced by the Covid 19 pandemic. (for more information, see the Materiality Analysis section).

## GRI 204-1:

## Share of Expenditures for local suppliers

For REWE Group, regional suppliers are those who produce an end product from raw materials in a specific defined region also produce an end product there. The regional assortments have a of fresh fruit and vegetable products, which are offered in the stores depending on the season. offered in the markets depending on the season. In the eyes of consumers, they stand for freshness, short transport distances transport routes, trustworthy production and support for the local economy. economy.

REWE Group has greatly expanded its regional product ranges in recent years. The foundations for this are long-term relationships with suppliers in the region as well as the transparent and attention-grabbing communication of the special quality of these

products to consumers - for example, through the REWE regionality campaign.  
regionality campaign.

The nationwide REWE Regional brand for regional products introduced in 2012 ensures quick recognition. The region of origin is indicated on the packaging as a politically defined area (e.g., a federal state), a cultural region (e.g., Franconia), or a traditional growing region. Franconia) or traditional cultivation area. Examples are sausage and eggs from North Rhine-Westphalia, apples from the Alte Land or gherkins from the Spreewald. During the period under review, the regional assortment developed very positively.

REWE  
Regional  
(Germany)<sup>1</sup>

2018  
2019  
2020

REWE-Märkte, die REWE Regional-Artikel  
führen33.4513.7293.845Kundenkontakte2118.324.151128.825.717158.780.375Artikelanzahl3660747804  
1

The values deviate from those in the Sustainability Report 2019, as scanner data has been taken into account for REWE Dortmund since the reporting year 2020.

for REWE Dortmund have been taken into account since the 2020 reporting year.

2

Customer contacts are collected on the basis of the scanner quantities of the individual products.

3

Only items of which more than 200 units were sold.

Labeling  
regional  
products

In order to further strengthen regional products, REWE Group has been active since 2012 as a founding member in the Regionalfenster e.V. since 2012 and has been implementing the regional window on selected items in articles in PENNY and REWE stores since 2014. The label offers consumers verified information on the origin of the ingredients and the place of processing. In this way, the regional window creates transparency for customers in addition to the information customers. The products include apples, carrots, asparagus and tomatoes, which often come often sourced from one or more suppliers in each region. In the year under review regional plants, such as perennials and Nordmann firs, were also awarded the Regional Window award.

The REWE sales division labels products with the regional window if they are produced in the region, in the region from which they originate. It is used for REWE Regional products in order to verify the regional origin in a neutral way and to show this transparently. to show this.

PENNY marks articles with the regional window if they are seasonally available from Germany. are available. As an additional indication of origin, PENNY indicates the state or a cultivation region for regional fruit and vegetables. or a region of cultivation or "enjoyment" such as "from the German Lake Constance region". German Lake Constance region". Transparency with regard to the indication of origin is part of the regionality promise, with which PENNY is also committed to freshness through short transport routes and to promote local producers.

Number  
of  
Regionalfenster articles  
and  
-article groups  
from  
REWE  
and  
PENNY  
(Germany)

2018  
2019  
2020

REWE  
354  
463

PENNY  
342  
360  
577

Another regional concept has been implemented at REWE Group in Austria since 2014 in the markets of of BILLA, MERKUR and Sutterlüty under the name "Da komm ich her". The range includes seasonal and regional fresh fruit and vegetables as well as eggs. and eggs and now includes over 220 items.

Regional concept  
"There  
come  
I come  
here "1  
(Austria)

2018  
2019  
2020

Kundenkontakte286.317.00084.261.00093.803.000Artikelanzahl255261226  
1

BILLA, MERKUR and Sutterlüty in Austria.

Customer contacts are surveyed on the basis of the scanner quantities of the individual products.

Under PENNY's own brand "Ich bin Österreich" (I am Austria), consumers are offered products that are made products are offered to consumers that are made according to typical Austrian recipes and whose ingredients come 100 percent from Austria. The product range comprised around 200 products at the end of 2020. In total, "Ich bin Österreich" products generated over 107 million customer contacts in 2020. were achieved.

Locality

When the term "local" is used, the products are mostly sourced from small suppliers or direct agricultural direct marketers who supply a regionally limited number of markets directly.

supply. Local items are usually marketed in REWE stores under the umbrella brand "Aus your region" umbrella brand and are placed and identified accordingly in the store. In order to further increase the number of locally produced products, REWE has appointed locality representatives and thus created a structure that deals only with the local requirements of customers and suppliers. customers and suppliers. They establish contacts between REWE stores and local producers and suppliers and local producers and suppliers and follow the entire path of the products of the local farmers from the field to the supermarket shelf. For example, they organize Locality Days, where suppliers can present their products. In the reporting period, there were a total of REWE's six regions had a total of 20 locality officers during the reporting period. A successful example of the promotion of local suppliers is the REWE country store concept in the Central Region. Under this name, farms belonging to the Vereinigung der Hessischen Direktvermarkter e.V. (VHD) sell their products throughout the state. At the end of 2020, 312 stores carried the more than 3,200 Landmarkt Articles.

Landmarkt,  
Hesse  
(Germany)

2018  
2019  
2020

Markets carrying Landmarkt articles	300	310	312	Customer contacts	19,511	3839,960	5209,990	460	Number of articles
2	over 3,300	over 3,200	over 3,200						

1  
Customer contacts are collected on the basis of the scanner quantities of the individual products.

2  
Articles on sale based on article numbers (NAN), from year of market entry.

The independent REWE retailers also maintain partnerships with local suppliers and farmers, some of them for a very long time. local suppliers and farmers. In addition, individual retailers carry their own regional assortments, for example, consumers can find numerous products in the REWE Richrath stores in

the  
for example, consumers will find numerous products in the REWE Richrath stores in the Cologne area under the label "Wir aus der Region" ("We come from the region").

For  
a  
balanced  
cooperation  
with  
local  
suppliers  
at  
REWE

In order to strengthen sustainable and fair cooperation, the REWE sales division has defined common values and principles with local values and principles with local suppliers and producers and has defined them in the "REWE Local Partnership" anchored. The document presents four thematic areas that the sales division uses as a basis for cooperation with local suppliers:

- 

Reliable contractual partners

- 

Good money for good work

- 

Use of shared networks

- 

Joint innovations - to protect animals and the environment.

REWE is thus committed to local responsibility and offers a reliable orientation for the cooperation with small and medium-sized farmers and producers in the immediate vicinity of the stores. In the REWE relies on the "local representatives" in cooperation with the cooperation with the merchandisers and the store managers. Together, they provide their local suppliers with a wide range of tools and support to their local suppliers in order to exploit synergies and to grow together in close cooperation, and to grow together in close and trusting cooperation.

Particularly in the supply chain stages of raw material cultivation and processing, there are challenges and an increased risk of disregard for labor and social standards. They are therefore the focus of REWE Group's activities. Within the framework of its product-related risk analysis, it identified the following critical raw materials in the food sector: Fruit and vegetables in general, with a particular focus on bananas and pineapples, meat and dairy products including animal feed, as well as coffee, cocoa, orange juice, tea, palm oil and fish.

In order to integrate sustainability as an integral part of the company's processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of Green products, energy, climate and environment, employees and social commitment. developed. In 2017, the strategy Green Products 2030 strategy was adopted in order to integrate sustainability even more closely into procurement processes. Within the framework of the the fields of action of people, animals and the environment, the retail and tourism company is developing and tourism company is developing effective measures in the Green Products pillar to reduce environmental and social impacts. reduced. Within these fields of action, the activities relating to the focus raw materials in the food sector play a special role. in the food sector play a special role.

GRI  
FP1:

Share  
of  
purchasing volume,  
which  
in  
accordance  
with  
the  
Guidelines  
of the  
Company  
procured  
was

REWE Group works continuously to take social and ecological factors as well as aspects of animal welfare into account in its supply chains. factors and animal welfare aspects in its supply chains. In doing so, REWE Group relies on internationally recognized certification standards, works together with the industry in initiatives, sets up its own projects and formulates requirements within the framework of its guidelines as well as in the PRO PLANET process. In the following, the approaches for individual raw materials are presented.

Fruit and vegetables

From suppliers of primary agricultural products in the fruit and vegetable sector, the REWE Group has required suppliers of primary agricultural products in the fruit and vegetable sector since 2013 to commit to the core labor standards of the applicable national legislation. This also includes the lawful payment of at least the applicable legal, collectively agreed or contractually agreed wage. Both requirements are mandatory and must be verifiable by suppliers. Suppliers are also also have a responsibility to ensure that these requirements are also met by their suppliers. All producers of fruit and vegetable products must accordingly verify compliance with the above-mentioned requirements mentioned above in the form of external audits (e.g. GLOBALG.A.P. Risk Assessment on Social Practice (GRASP), SA8000, Rainforest Alliance or amfori BSCI). Random audits are used to verify compliance with the requirements.

In addition to the social aspects in fruit and vegetable production, REWE Group is also committed to reducing the ecological impact. This includes the promotion of biodiversity through specific projects, for example in fruit and vegetable cultivation in Germany, specifications on the use of pesticides and cooperation with standards such as the Rainforest Alliance or Fairtrade.

Bananas  
and  
pineapples:  
Projects  
in  
cultivation areas  
and  
production requirements  
improve  
ecological  
and  
social  
conditions  
in  
Central America

The cultivation of bananas and pineapples can have negative ecological and social impacts can occur in the countries of production. These include poor working conditions on the fruit plantations, high pesticide use or damage to ecosystems.

For this reason, REWE Group has been committed since 2008 to an ecological and social conditions in banana and pineapple cultivation in Central America. Through the REWE Group Central America Fund - in the also known as the Banana Fund in the past - a project volume of over 4 million euros was made available. The fund is aimed at local organizations that apply for support with their project ideas in response to calls for proposals. It serves the living conditions of the workers and their families, as well as the ecological situation on banana and pineapple plantations. At the same time, local organizations and communities are strengthened in the planning and implementation of projects. The Gesellschaft für Internationale (GIZ) is responsible for coordinating project applications and also and also monitors the implementation of the projects on site. The approval of the funds is made by an advisory board consisting of representatives of the suppliers and the



REWE Group.  
of the suppliers and REWE Group.

In addition, REWE Group is involved in a working group under the umbrella of the the initiative for sustainable agricultural supply chains, REWE Group is committed to ensuring living wages and incomes in the banana sector. More information on this can be found in the section on living Wages and income.

The commitment is complemented by strict requirements for cultivation. For example, all farms producing bananas and pineapples that are offered in REWE Group's REWE Group's sales lines in Germany must meet organic standards or be standards or be Rainforest Alliance certified. In addition bananas and pineapples sold under the REWE Beste Wahl private label, the pineapples sold at pineapples at PENNY and Chiquita bananas bear the PRO PLANET label of the

REWE Group. PENNY also sells Fairtrade organic bananas.

With the help of a QR code, customers can choose between REWE's private-label bananas REWE's own-brand bananas and Fairtrade organic hero bananas and pineapples from pineapple from PENNY back to the producer. Since January 2020, this traceability has also been possible for REWE Beste Wahl pineapple (for more information, see section Sustainable Consumption promote sustainable consumption).

Shares  
of the  
conventional  
bananas  
and  
pineapple  
from  
Rainforest  
Alliance-certified  
cultivation  
(REWE  
and  
PENNY  
in  
Germany)

2018  
2019  
2020

Bananas  
100 %  
100 %  
100 %

Pineapple

100 %

100 %

100 %

Palm oil

Increasing palm oil cultivation leads to a loss of peat and rain forests. This often deprives the local population is often deprived of its livelihood and habitats for valuable species are lost. are lost. In addition, the clearing of rainforests releases large amounts of CO<sub>2</sub> are released.

Against this backdrop, at the beginning of 2011 REWE Group launched the Guideline for

palm oil and

palm kernel oil products, REWE Group formulated the goal of using only palm oil from more from more sustainable production. To ensure this, the company relies

certification standard of the Roundtable on Sustainable Palm Oil (RSPO).

(Roundtable on Sustainable Palm Oil, RSPO), of which it has been a member since 2011. REWE Group

in Germany has already been using 100 percent certified palm oil since 2013. REWE Group

in Austria has been exclusively sourcing certified palm oil since 2014 and has completely dispensed with the use of palm oil for the brand

Ja! Natürlich brand has dispensed with palm oil altogether since 2018.

Shares

of the

private label products

with

certified

palm (kernel) oil products

2018

2019

2020

RSPO-certified palm (kernel) oil in private label products (REWE and

100 %

100 %

100 %

PENNY Germany)

RSPO-certified palm (kernel) oil in private label products (Austria)

100 %

100 %

100 %

The goals of the REWE Group guideline are also part of a voluntary commitment that REWE Group signed as a member of the Forum on Sustainable Palm Oil (FONAP) in 2015. The members of the FONAP have committed to using only sustainably certified palm oil, palm kernel oil, and their derivatives and fractions in their products. The ambitious goals

of the voluntary commitment is to ensure the traceability of the palm oil used in the long term, in compliance with defined

defined additional criteria in the long term. This also includes sourcing palm oil via the model of segregation, in which RSPO-certified goods are segregated along the entire segregated from non-certified goods along the entire supply chain. Under the

Taking into account the individual target per palm (kernel) oil product, REWE Group achieved an overall level of compliance of 99 percent in 2020 with all its private label products. 99 percent.

REWE Group in Germany is working together with its suppliers to achieve the last percent to complete the ambitious goals of the voluntary commitment. The requirements are particularly challenging for smaller suppliers with complex supply chain structures. a challenge. For example, individual suppliers were only able to make the switch to the segregation trading model only gradually, as the establishment of separate commodity flows is very time-consuming. This is particularly true if a supplier only converts a small amount of its total production. of its total production. At REWE Group in Austria, too, all palm oil and palm oil used in palm oil and palm kernel oil used in private label products is RSPO-certified and, with a few exceptions, is and, with a few exceptions, is purchased through the Segregation trading model.

Transparency  
in  
the  
palm oil supply chain  
strengthen

Since 2018, REWE Group has been supporting a cooperation project between the FONAP and the Malaysian non-governmental organization WildAsia. In the first phase of the project, selected smallholders in the region of Perak/Western Malaysia tested the applicability of FONAP additional criteria. These included, for example, not using highly hazardous pesticides or implementing strict pesticides or the implementation of strict greenhouse gas reduction targets. In this way, they were able to develop a better understanding of the importance of biodiversity and show that organic production is possible without the use of pesticides. without the use of pesticides - and can even produce higher yields. can even produce higher yields. In the second phase of the project, the farmers will be supported in tracking their produce between the end of 2019 and March to track their produce. An app will record the transactions of certified small producers and palm oil traders. The traceability of certified palm oil can thus be presented without gaps. At This is intended to give smallholders better access to the market - because transparency in the supply chain is an increasingly important requirement for the important requirement when selling the raw material.

Cocoa

A large part of the world's raw cocoa production originates in West Africa and is primarily in smallholder family farms. The cocoa farmers there have to contend with difficult economic conditions and often live with their families below the poverty line. poverty line. As a result, there is a lack of necessary investment funds and poor working conditions often prevail. poor working conditions prevail. This leads to exploitative forms of child labor. (for more information, see the section on child and Forced Labor).

In the guideline  
for  
cocoa products, REWE Group has formulated the goal of sourcing all raw cocoa raw cocoa volumes for its private label brands from more sustainable producer structures

sourced from more sustainable producer structures - ensured through the use of the Fairtrade, Fairtrade Sourcing Program, Rainforest Alliance / UTZ standards. By the end of the 2020 reporting year, cocoa quantities for the private labels of own brands of REWE and PENNY, 98 percent certified raw cocoa was used. The missing two percent are mostly suppliers who process very small quantities of cocoa, as these

cocoa, as they often have difficulties sourcing certified cocoa. As a result, REWE Group was able to achieve its complementary goal of closing the gap to the 100 per cent target by the end of 2020 for REWE and PENNY private label brands in Germany. The REWE Group continues to work towards achieving the target. At REWE Group in Austria, by 2020, the entire raw cocoa volume for the private label brands will be certified. In order to achieve lasting sector, REWE Group has set itself a further goal in 2018: to achieve the Group set itself a further target in 2018: By the end of 2020, 100 percent of chocolate articles as well as instant cocoa, nut nougat spreads and sweet pastries of the private labels and all organic private labels with cocoa ingredients at REWE and PENNY in Germany. Germany to Fairtrade or the Fairtrade cocoa program. This goal REWE Group was able to achieve this goal in the year under review.

Proportions of certified cocoa in private label products  
2018 2019 2020  
Certified private label products in Germany that contain cocoa,  
according to Fairtrade, Fairtrade Sourcing Program, Rainforest Alliance / UTZ  
99 % 99 % 98 %

Certified private label products in Austria that contain cocoa,  
according to Fairtrade, Fairtrade Sourcing Program, Rainforest Alliance / UTZ  
80 % 100 % 100 %

Certified private-label chocolate articles as well as instant cocoa, nut nougat spreads and sweet pastries, as well as all organic private label products with cocoa ingredients at REWE and PENNY in Germany according to Fairtrade or Fairtrade Sourcing Program  
65 % 100 %

In cooperation with the German Federal Ministry for Economic Cooperation and Development and Fairtrade, REWE Group launched a project to ensure a living wage in the cocoa sector. Fairtrade chocolate bars from this project will be sold at REWE and PENNY from mid-2021. from mid-2021. The cocoa beans from which these chocolates are made can be completely physically traceable in their entirety (for more information, see section Living Wages EEEEEExxxiiiiissssstttteeeennnnzzzzsssssiiiiicccccchhhheeeeeerrrrrrnnnnndddddeeeee LLLLLLööööhnnnnnnneeee uuuuunnnnnnnndddd EEEEEiiiiinnnnkkkkkooooommmmmmmmmmeeeennnnnnn)))))).....

Conditions  
IMPROVE:  
Forum  
Sustainable  
Cocoa

As a founding member of the multi-stakeholder initiative Forum Nachhaltiger cocoa, REWE Group supports the PRO-PLANTEURS project together with other companies. PRO-PLANTEURS project. The project, carried out in cooperation with the Gesellschaft für International Cooperation (GIZ), is a cocoa project in Côte d'Ivoire. Côte d'Ivoire aims to professionalize cocoa-producing family farms and their and their cooperatives. Women in particular are to be given the to optimize their own income and create a better food basis for their families. food basis for their families. Cocoa cultivation is also to be more attractive for young cocoa farmers. A income and a more balanced diet are aimed at improving the living conditions of local the living conditions of the local families. After the successful

PRO-PLANTEURS 2020 has entered a five-year follow-up phase. Since the project began in 2015, it has been able to improve the living conditions of 30,000 cocoa farming families. For example, 76 rural advisors have been trained, 16 projects involving 2,100 women on income-generating activities, and 5,500 cocoa farmers have been trained in good agricultural practices.

## Orange juice

Orange cultivation and orange juice production face complex social and environmental challenges. These include existential problems for smallholders, precarious working conditions, improper use of pesticides and high energy consumption. REWE Group is committed to more sustainable orange juice production and pursues the goal of improving social, ecological and economic conditions in the orange juice industry. To achieve this, the company relies on the purchase of more sustainably produced orange juice products, projects at origin and a cross-sector dialog, as well as transparency along the supply chain. Since 2019, both the REWE Beste Wahl (REWE) and Paradiso (PENNY) private label brands have been offering a 100 percent Fairtrade-certified orange juice that can be traced back to the producer organizations. With this orange juice, the REWE Group supports a project in Brazil to improve local working conditions. In the year

2019, REWE Group has issued a guideline for

Orange Juice. This sets out the goal of 100 per cent of REWE's and PENNY's own brands to certified orange juice. REWE Group already achieved this goal at the beginning of 2020, and all of its chilled and non-chilled direct and concentrate juices to Fairtrade, Rainforest Alliance or organic. And REWE Group in Austria has also been offering certified private-label orange juice since 2020.

In the future, information about the origin of individual orange juice products will also be made visible to customers. In addition, REWE Group intends to promote higher wages and income supply chain towards higher wages and incomes.

Since 2016, REWE Group has also been a member of the European Fruit Juice CSR Platform. The platform supports European fruit juice producers in, to integrate sustainability measures into their corporate strategies and thus make a long-term contribution along the global fruit juice value chain for all stakeholders. REWE Group is also actively involved in a working group on Orange Juice from Brazil and has been a member of the Steering Committee since 2017.

Partnership  
Commitment  
in  
the  
Fruit Juice Industry

In 2020, REWE Group joined forces with other companies and organizations such as the German Federal Ministry for Economic Cooperation and Development (BMZ), the Christian Initiative Romero (CIR), TransFair e.V. and ver.di founded the Partnership for Sustainable Partnership for Sustainable Orange Juice (PANAJO). As a member of the partnership REWE Group is committed to promoting social justice and labor rights as well as environmental protection in the orange juice supply chain. In the long term share of sustainably produced orange juice in the German and European markets. European market. The work of PANAJO is based on dialogue with all stakeholders involved, develops concepts for sustainable procurement practices and identifies starting points for strengthening employee to strengthen employee representation.

Coffee

The cultivation of coffee as a globally traded commodity is an important industry in many countries of Latin America, Asia and Africa. However, the yields of most smallholder farms are often too low to too low to ensure a sufficient income for coffee farmers and their families. income for the coffee farmers and their families. In addition, there are health and ecological risks due to the improper use of improper use of pesticides. In order to improve the situation of the coffee farmers REWE and PENNY in Germany have set themselves the goal of making their own brands 100 percent Rainforest certified by the end of 2020. to 100 percent Rainforest Alliance / UTZ, organic or Fairtrade certified coffee by the end of 2020. certified coffee. The target was already achieved in 2019.

Shares  
of the  
certified  
private label coffee

2018  
2019  
2020

Certified private label coffee products at REWE and PENNY  
71 %  
100 %  
100 %  
(Germany) according to Rainforest Alliance / UTZ, Organic or Fairtrade

With its own-brand coffee, Lekkerland also contributes to sustainable cultivation: The beans from the Coffee Bean Company are Rainforest Alliance-certified and thus stand for environmentally friendly environmentally friendly land use and socially responsible business practices.

A  
special  
connection:  
Support  
the  
coffee farmers

in front of  
on site

Since 2009, REWE Group has had a special partnership with the people of the with the people of the Fairtrade coffee cooperative Valle de Incahuasi in Peru. guarantees a secure purchase of the coffee. Together with the cooperative, REWE Group is implementing measures and projects to counteract climate change and to increase the income of the farmers. The cooperative produces REWE Feine Welt coffee, which is Fairtrade- and certified organic. The plants are cultivated in a controlled organic way, which puts less strain on the sensitive ecosystem. After the harvest the beans are tasted in the cooperative and, after the appropriate and, after the appropriate inspections, are transported by small trucks to the nearest Andahuaylas. From there they are transported on to Lima, to finally be roasted in the Ruhr area. Due to the Covid 19 pandemic no training courses could be held in the year under review. Instead, a manual on good agricultural practices was developed and distributed to the coffee farmers. distributed to coffee farmers. Funds were also made available for the establishment of organic vegetable gardens to ensure local food security. food security. In view of the ongoing pandemic, some measures have been delayed. measures have been delayed - for this reason, the project duration has been extended until March 2021. 2021.

## Tea

The conventional cultivation of tea plants is often carried out in monocultures and with a high use of pesticides. use of pesticides. This endangers biodiversity and the drinking water supply of the people drinking water supply for the people in the tea-growing regions. The local workers are also confronted with challenges such as low wages, inadequate health protection and a lack of lack of occupational safety. Against this background, REWE Group promotes sustainable agriculture in tea production and buys certified goods, which are above all Rainforest Alliance seal, but also Fairtrade and the EU organic logo.

REWE Group has set itself the goal of ensuring that all black and green tea products contain 100 per cent certified raw materials. certified raw materials. This goal was achieved at the end of 2018. In addition Furthermore, all herbal and fruit tea products (including rooibos tea) are to be certified by the end of 2025.

and contain at least 30 percent certified raw materials. The aim is to continuously increase the certified certified raw material content per article. These goals as well as challenges and measures are summarized by REWE Group in its.

Shares of certified tea products/raw goods at REWE and PENNY.  
2018 2019 2020

Certified black and green tea items at REWE and PENNY in  
Germany according to Rainforest Alliance, Fairtrade or Organic  
100 % 100 % 100 %

Certified herbal and fruit tea products at REWE and PENNY in  
Germany according to Rainforest Alliance, Fairtrade or organic standards  
57 % 93 %

## Fish

The increasing demand for fish and seafood means that a large part of the world's fish stocks are under severe

fish stocks are under severe pressure and in some cases are already overfished. REWE Group has has therefore made a commitment to reduce fish stocks in the areas of frozen, convenience, fresh and canned products by the end of 2020. certified private label products (MSC, GLOBALG.A.P., ASC, organic certification) by the end of 2020. However, due to the lack of availability of certified goods, the target has not yet been achieved. not yet achieved. In the future, REWE Group will also focus exclusively on certified tuna products. certified products.

Shares of more sustainable private label fish products of REWE Group in Germany.

2018 2019 2020

Certified private label fish products in Germany according to MSC, GLOBALG.A.P., ASC or organic certification.

701 %

Private label fish products in Germany certified according to MSC, GLOBALG.A.P., ASC or organic certification and private label tuna from selected suppliers<sup>3</sup>

902 % 96 %

Proportion of private label fish products with tracking code 78 % 78 % 634 %.

1 In contrast to 2018 and 2019, this metric no longer includes private label tuna sourced from select suppliers who are members of the International Sustainable Seafood Foundation (ISSF), from a catcher vessel that is on the Proactive Vessel Register (PVR), or from a Fishery Improvement Project (FIP).

2 The 2018 value does not include certified organic private label fish products.

3 Tuna, if not MSC certified, comes from a supplier that is a member of the International Sustainable Seafood Foundation (ISSF), from a catcher vessel listed on the Proactive Vessel Register (PVR), or from a Fishery Improvement Project (FIP).

4 The decrease is a result of an error that caused the 2020 tracking code not to be mapped on all designated products. was mapped.

Guideline LLLLLLLeeeeeiiiiitttttllllllllllnnnnnnnniiiiieeeee fffffffüüüüüü forrrrr  
TTTTTTTeeeeeeeeeeeeerrrrrrzzzzzzzeuuuuuugggggggnnnnnnniiiiisssssssssseeeeeee  
LLLLLLeeeeeeeiiiiitttttllllllllllnnnnnnnniiiiieeeee fffffffüüüüüürrrrr FFFFFFFiiiiisssssccccchhhh  
uuuuuunnnnnnnndddd MMMMMMMeeeeeeeeerrrrrrreeessssffrrrrrüüüüccccchhhhhhtttteeeeeee

REWE Group's product range in Austria includes around 400 private label and industrial brands MSC-certified fish products.

Meat

Meat is an integral part of today's eating habits. The production of animal animal products is an essential branch of agricultural production. The REWE Group is committed to species-appropriate animal husbandry. To this end, the company works together with business partners and suppliers on the implementation of binding standards and and promotes dialogue between all partners in order to counteract negative effects with regard to animal animal welfare. In its guideline for Animal Welfare the company sets out concrete measures and targets with regard to individual animal species. For comprehensive insights into the strategic approach and the specific targets and measures, see also the Animal Welfare section.

Soy as feed

In conventional livestock farming, soy imported from overseas is often used to provide an adequate imported from overseas, which often comes from genetically modified varieties. genetically modified varieties. For this reason, REWE Group has included in its guideline



for  
Soy  
as  
soy as animal feed, REWE Group has defined the GMO-free nature of soy as a requirement for the producers of private label products. This requirement is implemented individually for each livestock species. For the proof of GMO-free feeding, the REWE Group in Germany relies, among other things, on the seal of the Verband für Lebensmittel ohne Genetic Engineering e.V. (VLOG). Likewise, organic products of animal origin are not fed with feedstuffs modified by genetically modified feedstuffs are used in organic products of animal origin. As in the previous year, all fresh poultry meat, fresh egg assortment, and fresh and UHT milk of REWE Group in Germany received the VLOG seal in 2020. Today, the REWE sales division already has a total of six regional and national pork and beef programs that guarantee GMO-free feeding. GMO-free feeding. In addition, feeding with feedstuffs free of GMO-free feed is guaranteed for all meat products in husbandry form levels 3 and 4. At REWE Group in Austria, the entire fresh egg and fresh milk assortment comes from GMO-free feeding.

Shares  
of the  
products  
with  
seal  
of the  
Association  
for  
Food  
without  
genetic engineering  
e.V.  
(VLOG)

2018  
2019  
2020

Fresh milk and UHT milk  
100 %  
100 %  
100 %

Fresh egg assortment  
100 %  
100 %  
100 %

Fresh poultry meat  
100 %  
100 %  
100 %

Since land-intensive soy cultivation, particularly in South America, has drastic consequences for the environment, REWE Group continuously analyzes all supply chains with a high use of soy.  
the environment, REWE Group continuously analyzes all supply chains with a high use of soybean

with a view to the ecological balance. In order to address this in a targeted manner, the Group intends to make its supply chains in the area of soy feed, among others, deforestation-free by the end of 2025. By using more sustainable soy as animal feed, REWE and PENNY have REWE and PENNY in Germany have been able to reduce their entire private label range of fresh eggs, milk and fresh poultry meat have been certified deforestation-free since the end of 2019. since the end of 2019. This commitment is to be extended to fresh pork and beef and contribute to a deforestation-free supply chain with 100 percent deforestation-free soy feed by the end of 2021. deforestation-free supply chain. To this end, the trading company is working with certification organizations and is implementing specific projects in the countries of origin. countries of origin. As a founding member of the Donau Soja association, since 2015 REWE Group has been able to cooperation with over 200 farmers, REWE Group has been able to promote the cultivation of certified deforestation-free soy in the the Zupanja region in Croatia.

For more information on REWE Group's commitment to organizations and initiatives see section Initiatives and memberships.

## REWE Group Sustainability Report 2020 Focus Raw Materials Non-Food

Particularly in the supply chain stages of raw material cultivation and processing, there are challenges and an increased risk of disregard for labor and social standards. social standards. They are therefore the focus of REWE Group's activities. Within the framework of its product-related risk analysis, the trading company identified the following critical raw raw materials in the non-food area: cotton and textiles as well as natural stones.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with four central pillars: Green Products products, energy, climate and environment, employees and social commitment. developed. In addition, the strategy Green Products 2030 strategy was adopted to integrate sustainability even more strongly into procurement processes. Within the framework of the fields of action the retail and tourism company is developing effective measures in the Green Products pillar in order to measures in the Green Products pillar to reduce environmental and social impacts. reduced. Within these fields of action, the activities relating to the focus raw materials of Cotton and textiles as well as natural stones in the non-food sector play a special role.

GRI  
FP1:

Share  
of  
purchasing volume,  
which

in  
accordance  
with  
the  
Guidelines  
of the  
Company  
procured  
was

REWE Group is continuously working to make its supply chains more socially and ecologically more socially and ecologically compatible. In doing so, the company relies on internationally recognized

certification standards, works together in industry initiatives, sets up its own projects and and formulates its own requirements within the framework of its guidelines and the PRO PLANET-

process. The approaches for individual raw materials are presented below.

## Cotton and textiles

Cotton is one of the most important raw materials in the textile industry and is mainly grown in India, China and the USA, China and the USA. Conventional cotton cultivation is water-intensive and is carried out with high use of pesticides and fertilizers. In order to increase the proportion of textile more sustainable cotton, REWE Group in Germany is relying on Cotton made in Africa (CmiA), the Global Organic Textile Standard (GOTS) and textiles made from recycled fibers. recycled fibers. Furthermore, the trading company also supports the German German Green Button textile seal. REWE Group aims to increase the share of textiles made from more sustainable cotton at REWE, PENNY and toom Baumarkt in Germany to 100 percent by 2025. increase. In 2020, the share was 91 percent.

Share  
of more sustainable  
textiles  
from  
Cotton  
(REWE,  
PENNY  
and  
toom  
Home improvement store  
in  
Germany)

2018  
2019  
2020

Share of CmiA- or GOTS-certified textiles  
85 %

88 %  
91 %

REWE Group has been supporting CmiA since 2008. The initiative of the Aid by Trade Foundation initiative aims to improve the living conditions of African smallholders by helping them to help themselves. self-help. In agricultural training courses, African smallholders are taught farmers are taught efficient cultivation methods that increase yields and the quality of their cotton quality of cotton, while at the same time protecting their health and reducing the burden on the environment. Thanks to  
Thanks to these measures, the income of the farmers and their families improves. In addition They are also supported by various cooperative projects, for example in the areas of education education and the advancement of women.

The  
Green  
button

In order to provide its consumers with guidance when purchasing more sustainable textiles REWE Group has supported the Green Button since its launch in 2019. The state seal for sustainable textiles is intended to promote ecological and textiles is intended to ensure ecological and social standards in the textile supply chain. ensure. A total of 46 social and environmental criteria set binding requirements for the product and its manufacturing process - from wastewater limits to a ban on forced labor. Attached directly to the product it is easy for customers to recognize when they are shopping. REWE and PENNY in Germany have already awarded 23 products with the Green button. These include their cotton carrier bags, PENNY's reusable fresh food net and clothing and home textiles at REWE and PENNY stores. stores.

In addition to its focus on cotton as a raw material, REWE Group is committed to more sustainable measures for a more sustainable textile sector. In order to improve the ecological impact in the supply chain of textiles, REWE Group joined the Detox campaign of Greenpeace in 2014. Greenpeace's Detox campaign in 2014 and launched a corresponding program for products with REWE Group as a distributor in the product groups clothing, shoes and home textiles. and home textiles. The goal is safe textile production without hazardous chemicals. To this end REWE Group is working with its suppliers to systematically eliminate hazardous chemicals from textile production. from textile production. The Greenpeace Detox campaign officially came to an end in 2020. officially came to an end. Irrespective of this, REWE Group remains committed to eliminating hazardous chemicals in textile production (for more information, see the section on Ecological Aspects in the supply chain).

In 2013, REWE Group also signed the agreement "The Bangladesh Accord on Fire and Building Safety" (Accord) for more safety in the textile industry in Bangladesh. (for more information, see section Social Aspects in the Supply Chain)).  
In addition, REWE Group is a member of the international Fur Free Retailer Program. In the

own-brand ranges, the ban on real fur has already been in place for several years. In the guideline for more sustainable REWE Group describes its management approach and activities. its activities.

## Wood and paper

REWE Group is committed to protecting forests and the animal and plant species that live there. plant species living there. It therefore supports environmentally friendly and socially responsible forestry forestry by increasingly sourcing wood and paper for its products and packaging from sustainably managed sources. from sustainably managed sources. In doing so, REWE Group relies on the seals of the Forest Stewardship Council (FSC®) and the Programme for the Endorsement of Forest Certification Schemes (PEFC™) and the Blue Angel eco-label. A large number of of REWE Group products have already been awarded these seals. For the sales lines REWE and PENNY sales lines in Germany, REWE Group set itself the goal during the year under review of in the non-food segment by the end of 2025 and in the near-food segment by 2020. paper products with a wood and paper content of at least 95 per cent will be certified by the Blue Angel, FSC Recycled, PEFC Recycled, FSC 100 per cent, PEFC™ or FSC Mix certified. In the near-food sector, the target was achieved. The sanitary paper products at REWE and PENNY bear 100 percent of the FSC®, PEFC™ or the Blue Angel.

toom Baumarkt also offers a steadily growing range of certified articles from numerous product numerous product categories and has been a member of FSC® and PEFC™ since 2018. In this way supporting the high standards of transparency and control of the product chain of the two systems for sustainable forest management. In addition, the REWE, PENNY and toom Baumarkt in Germany have been offering, with the exception of one product, exclusively exclusively offer FSC®- or PEFC™-certified charcoal.

## Peat-free soils

toom Baumarkt has set itself the goal of no longer offering peat-containing soils by 2025. This applies to both own brands and branded products. In the course of the changeover, the proportion of peat will be across the entire product range and replaced by renewable raw materials. renewable raw materials. In addition, the range of peat-free soil products will be increased every year. In the year 2020, a total of ten peat-free private label products were offered: of these, seven toom Naturtalent potting soils and three toom quality brand products. This means that by the end of 2019, all private label soils were either peat-free or peat-reduced, with the exception of two special soils. peat-reduced. Since 2020, the two special soils have also contained peat-reduced soil. In a next step, they will be successively converted to peat-free soil. The sales lines

REWE and PENNY sales lines have also added peat-free and peat-reduced alternatives.

## Natural stones

toom Baumarkt aims to ensure that, in the quarrying and production of natural stone products comply with social standards and environmental requirements. To this end toom has been working with the independent experts at XertifiX for a number of years to ensure that the supply chain of natural stone all the way to the quarry and independently monitor compliance with social and ecological criteria. The revision of this standard, which is valid until 2023, toom Baumarkt played an active role as a representative of the retail sector. Since 2016 certified natural stone products have been available in toom DIY stores that carry the XertifiX PLUS and PRO PLANET label - their share of natural stone sales is 82 percent. This range of certified products is being continuously expanded. for example, all natural stone products for the garden from China available in toom DIY stores bear the China bear the XertifiX PLUS label.

## Nordmann firs

80 percent of the seeds of all Nordmann firs originate from the economically underdeveloped region of Rakha in Georgia. Together with the Danish foundation Fair Trees, toom toom Baumarkt is campaigning for fair working conditions and greater safety in cone harvesting in Georgia. In concrete terms, the cone pickers undergo five days of climbing training under German standards before each harvesting season. climbing training under German standards. They also receive professional climbing equipment with double protection. In addition, fair wages are paid and accident insurance is provided during the harvesting season. accident insurance is guaranteed during the harvest season.

Since 2018, toom Baumarkt has completely switched its Nordmann fir assortment to Fair Trees converted. For every tree sold, a tree from a fair harvest is replanted. In addition Fair Trees logo, the trees bear the PRO PLANET label.

With every fir tree sold, toom Baumarkt supports the Fair Trees Foundation in its efforts to promote numerous social projects in the harvesting region in Georgia. In 2020, for example soccer club for girls, scholarships for schoolchildren from the region, and food and hygiene

and food and hygiene packages were distributed as Corona emergency aid to 60 families. distributed.

## More sustainable travel: Futouris

In 2015, DER Touristik joined the sustainability initiative of the German travel industry, Futouris. Futouris - with the aim of making tourist destinations more sustainable in the long term and by supporting projects in the areas of ecology, biodiversity, and responsibility to society and responsibility towards society and culture. In this context, for example, a project to food waste in hotels was carried out and a guideline for the analysis of the analysis of the human rights impacts of the business activities of major tourism major tourism companies. The completed Green Travel Transformation project led to an industry-recognized uniform label for sustainable travel offers: Since winter 2019, sustainably certified hotels have been marked with a green leaf. In addition, DER Touristik published its first magazine-style catalog in 2021, the "Magalog." It includes hotels with sustainability certification in Europe and North Africa (for more information on the two projects, see the section on Sustainable

consumption

promote sustainable consumption).

In addition, the member companies are working together to reduce the amount of tourism-related plastic waste in the Balearic Islands. This project, called "Plastic Free Balearics" is currently on hold due to the Corona pandemic.

To raise awareness among employees, DER Touristik regularly holds training sessions on the subject of human rights and tourism.

on the topic of human rights and tourism.

REWE Group Sustainability Report 2020

BioBio

Organic products have a positive effect on people, animals and the environment.

For example, no artificial colors or flavors are used, and no chemical pesticides or easily soluble easily soluble mineral fertilizers are used. This protects our soils and waters. In addition animals are given more space in the barn and outdoor exercise. As a result, organic products have become

a significant and growing consumer segment: in 2020, Germans bought nearly bought almost 20 percent more organic vegetables nationwide. REWE Group is pursuing the strategic goal to expand its more sustainable product range - organic products make an important contribution to this.

GRI

FP2:

Share

of the

purchasing volume,

which

according to

recognized

standards

certified

is

Management approach

REWE Group is constantly working on expanding its organic product ranges in the sales lines. With the guideline adopted in 2014

for

products

from

organic

REWE Group has formulated comprehensive requirements for its own organic brands for

and farms for its own organic brands, which in many cases go beyond organic standards, such as the EU organic logo.

logo.

In 2020, REWE Group also joined the "Making good ground together" project as a partner.

partner. The project supports farmers who are converting their farms to organic

organic farming or want to expand their existing organic farm. In this way

REWE Group is helping to improve water and soil and to protect biodiversity.

protect biodiversity. In addition, it increases the supply of organically produced food that is produced in

produced in Germany. This is important, because currently the German production of organic organic food does not meet the high demand.

The various organic product ranges of the REWE Group sales divisions developed positively during the reporting period.

developed positively during the reporting period. A positive development in organic farming can also be observed for Germany as a whole: For example, sales of organic foods in Germany by around 22 percent in 2020 alone.

Organic brands  
at  
the  
REWE  
Group

In order to position organic products and continually expand its product range, REWE Group sells organic private labels in its individual sales lines:

REWE's own brands with organic quality

The quality standards of many products from REWE Bio, REWE's own brand for organic items, exceed the legal EU requirements. For example, 325 organic products of the REWE sales division already meet the much stricter criteria of the organic farming association Naturland. are applied. In addition, the entire REWE organic product range has been continuously expanded since 2013.

In the reporting period, more than 700 REWE organic products were in the assortment (average over the course of the year as a whole). This results in a share of REWE organic products in the sales value of the REWE own brands of around 17 percent in 2020.

In order to further increase the sales value and to sensitize its customers to organic products, REWE 2020 has launched the campaign "More organic for you, better for everyone". On the basis of REWE organic products with the Naturland seal and the added values associated with them - from the from the absence of artificial flavors to husbandry conditions for greater animal welfare to social standards - the sales division demonstrates in this context why organic products are better for consumers, animals, the environment and people.

A  
strong  
partner  
since  
over  
ten  
years:  
Naturland

Since 2009, the REWE sales division has had a close partnership with Naturland, one of the largest international organic associations, in order to strengthen organic organic farming and to make organic products accessible to a broader to a broader market. With around 100,000 farmers, beekeepers and fish farmers in farmers, beekeepers and fishermen in 60 countries, Naturland pursues the goal of an



sustainable agriculture and food production, which results in genuine organic organic quality products. Naturland's standards go beyond the legal requirements of the EU organic regulation, in that they cover by covering many more areas, and thus contribute to, among other things conservation of resources, biodiversity, greater animal welfare and better working conditions in high-risk countries. In 2020, the share of Naturland goods in REWE's product range has now risen to 325 products.

-

from trendy and vegan products such as noodles made from peas, diverse coconut products and soy drinks to various dairy products. In 2020 alone, 30 new products have been added. Together with Naturland, REWE Bio is able to offer an ever broader range of products - both both regional and international diversity is evident.

Together  
for  
the  
organic  
agriculture:  
Demeter

In order to promote organic farming throughout Germany and agricultural structures in the region, the REWE sales division joined the Demeter organic association in September 2020, the REWE sales division joined the Demeter organic association. Demeter producers and manufacturers work according to biodynamic farming methods and to standards that go far beyond the requirements of the EU Organic Regulation. REWE is increasingly offering products in its stores nationwide that bear the products that bear the Demeter organic seal and thus meet the association's strict quality criteria of the association.

Naturgut: Organic products at PENNY

PENNY has been selling the Naturgut brand since 2014. Since 2019, Naturgut has focused exclusively on organic products. In the 2020 reporting year, PENNY carried around 170 Naturgut products depending on the promotional period Naturgut products - and thus around 70 more than in the previous year - in its product range. The share of Naturgut products accounted for six percent of private label sales, a slight increase. In 2020, PENNY relaunched the Naturgut packaging in order to further signal the further increase the signal effect of organic products. In addition, green price labels will be green price labels will be introduced in the stores to make organic products visible at first glance. In addition, Naturgut is the first PENNY brand to display the Nutri-Score on its products. products. The score indicates the nutritional quality of a product on a five-point scale (for more information, see the Nutrition section).

In addition, the Naturgut Bio-Helden brand stands for organic fruits and vegetables with small defects in shape or skin, which are more common in organic farming but do not affect the quality of the produce.

but do not affect the quality of the produce. Since 2016, PENNY has thus been committed to the upstream producer stage against food waste.

Incentive  
for

## an ecological agriculture

In order to be able to meet the increasing demand for organic products, more more producers in organic farming are needed. For this reason PENNY launched the Naturgut Junior Heroes in 2018. In this These are conversion products from producers who, due to the prescribed conversion period of one or three years (depending on the fruit or vegetable crop). the fruit or vegetable crop) do not yet have an official organic certificate, but already produce organically and therefore more expensive. With the Naturgut Junior Heroes, PENNY is offering these producers a new marketing opportunity for these producers: they receive more revenue than for conventional goods, but slightly less than the organic price. This discount is passed on one-to-one passed on to customers one-to-one and also communicated on the label. This gives farmers a greater incentive to switch to organic farming. to organic farming. In this way, PENNY secures organic fruit and vegetables from and vegetables from Germany and Europe in the long term, because after the conversion period the goods will be awarded the German organic seal.

## Development Organic products in Germany (shares in percent)

2018	2019	2020
Organic products*		
(Proportion of net sales value of organic private labels and Manufacturer brands as a percentage of net sales value private labels and manufacturer brands of REWE and PENNY in Germany)		
5 %	6 %	7 %
Organic private labels*		
(Share of net sales value of organic private labels of REWE and PENNY in Germany of net sales value of net private labels)		
11 %	13 %	14 %
REWE Organic*		
(Share of sales value net "REWE Bio" in the net sales value of private labels at REWE)		
14 %	15 %	17 %
PENNY Natural Good*		
(Share of net retail value of "Naturgut" in the net retail value of net sales value of private label at PENNY)		
5 %	5 %	6 %

\* Shares excluding near- and non-food, tobacco and alcoholic beverages.

toom Baumarkt: Organic articles for the kitchen garden

Since 2014, toom Baumarkt has been selling certified organic private label products for kitchen gardens. These include peat-free soils certified with the Bio-Grünstempel® , organic fertilizers, organic herbs and organic vegetables. In addition, since 2018 toom has been offering fruit bushes and shrubs exclusively in organic quality. In 2020, the range comprised over 430 products.

Organic in Austria

With the founding of Ja! Natürlich in 1994, BILLA and MERKUR were the pioneers of organic organic farming in Austria. In the meantime, the product range comprises 1,100

organic products, which are offered on the shelves of BILLA, MERKUR, ADEG and Sutterlüty. are offered. PENNY Austria sells its organic products under its own brand Echt B!O.

Development of organic products in Austria (shares in percent)

2018 2019 2020

Ja! Natürlich<sup>1</sup>

(of gross sales value, full-range<sup>2</sup> Austria)

6,7 % 6,8 % 7,1 %

Genuine B!O<sup>1</sup>

(at gross retail value, PENNY Austria)

1,7 % 2,0 % 2,4 %

<sup>1</sup> Excluding near- and non-food, tobacco and alcoholic beverages.

<sup>2</sup> Full-range defined as BILLA and MERKUR.

REWE Group Sustainability Report 2020

PROPLANETPROPLANET

As a trading and travel and tourism company, REWE Group sees its central task in supplying customers with high-quality products and services.

with high-quality products and services. In doing so, the company is that its private label products are produced in a socially and ecologically more sustainable manner or meet higher animal welfare standards. With this in mind, REWE Group has developed the PRO PLANET label. PRO PLANET stands for REWE Group's goal of making products more more sustainable and to promote sustainable consumption among a broad consumer group. consumer group. REWE, PENNY and toom Baumarkt mark with the PRO PLANET label private label products that take social, ecological and animal welfare aspects into account. In this way, the PRO PLANET label provides a reliable and comprehensible guide when purchasing.

GRI

FP2:

Share

of

purchasing volume,

which

according to

recognized

standards

certified

is

The

PRO

PLANET label

The PRO PLANET label was developed in 2010 and is generally applicable to all private label private label products of REWE Group. REWE Group has used the occasion of its tenth anniversary in 2020

REWE Group has taken the opportunity to redesign the label and further develop the award process. further development of the award process. The Sustainability Advisory Board plays a central role in this process. It is involved in both

PRO PLANET processes as well as in the ongoing development of REWE's sustainability strategy.

further development of REWE Group's sustainability strategy.

In principle, the PRO PLANET commitment follows a holistic approach to improving sustainability in the supply chain of REWE Group.

sustainability in the supply chain of REWE Group's own-brand products. In order to implement the topic of

sustainability, REWE Group in Germany works with a so-called due diligence approach. This management approach is based on a guideline developed by the OECD to help companies establish responsible agricultural supply chains.

The process comprises five stages: Management system, risk analysis, strategy, review and Reporting. REWE Group's strategy is derived from this process on how to own-brand products are produced in a more socially and ecologically sustainable manner or how they comply with meet higher animal welfare standards. To this end, among other things, sustainability aspects are integrated into purchasing processes, there is systematic cooperation with suppliers and there is a continuous exchange with relevant stakeholders. This diverse and strategic sustainability commitment of REWE Group is the basis for PRO PLANET and the cooperation with the Sustainability Advisory Council.

### The Sustainability Advisory Board

The entire PRO PLANET process is accompanied by an independent stakeholder committee: The Sustainability Advisory Board consists of independent experts and representatives from non-governmental organizations who contribute their knowledge and approve the use of the PRO PLANET label. Its members meet up to four times a year for two days each time. In addition, REWE Group involves external partners during the awarding process with the expertise required for specific projects. Since 2019, the Advisory Board has also been working with REWE Group on the development, evaluation and implementation of many sustainability-relevant measures for the REWE and PENNY sales lines in Germany. This includes both the further work within the framework of the PRO PLANET process as well as the continuous further development of the sustainability strategy of REWE Group, for example through the Involvement in the creation and updating of the guidelines. Each member of the Advisory Board was assigned responsibility for a specific topic.

### Members of the Sustainability Advisory Council:

- 

Abel, Georg (Die VERBRAUCHER INITIATIVE e.V.), Advisory Board expert for consumer:inside.

- 

Geier, Bernward (COLABORA), advisory board expert for organic products

-

Hütz-Adams, Friedel (SÜDWIND e.V.), advisory board expert for the field of action "People" • Hütz-Adams, Friedel (SÜDWIND e.V.), advisory board expert for the field of action "People".

•

Klöckner, Kristian (NABU Bundesverband e.V.), Advisory Board expert for the field of action

"Environment"

•

Pöpken, Stefanie (independent expert on animal welfare in agricultural animal husbandry),

Advisory board expert for the field of action "Animal".

The PRO PLANET process

The PRO PLANET award process is composed of the following steps:

1.

2.

3.

Analysis and strategy check:

REWE Group's sustainability officers and the Sustainability Advisory Board research and analyze challenges and measures in various product groups and their supply chains. The analyses are then jointly summarized and processed. REWE Group discusses the results in an internal workshop and derives measures from them. These are presented to the Advisory Board and a shortlist of measures is jointly agreed.

Concretization of measures and PRO PLANET requirements:

The measures developed in the first step are discussed by the Sustainability Advisory Board, the sustainability officer and the purchasing department of REWE Group. Depending on the challenges in the supply chain, they can comprise different activities

- from the purchase of certified raw materials to the creation of (raw material) guidelines and the definition of targets to the implementation of own projects (e.g. a biodiversity project in the project in domestic fruit and vegetable cultivation or training programs for smallholder cooperatives in Brazil). When purchasing certified raw materials, the Sustainability Advisory Board examines in detail whether the criteria of the respective standard (e.g. UTZ / Rainforest Alliance, Fairtrade, Naturland or EU organic) address the main ecological and social problems. In addition, a proposal for measures is developed,

which REWE Group must implement in order to be allowed to label product groups or products with the PRO PLANET label. The results will be presented to the entire Sustainability Advisory Board in order to subsequently adopt the measures in a strategy and budget process of REWE Group.  
budget process of REWE Group.  
Implementation of measures and final approval by the Sustainability Advisory Board:  
The REWE Group sustainability officers draw up a binding project plan for the agreed measures and requirements.  
and requirements a binding project plan including processing time, milestones and duration, milestones and objectives. On this basis, the Sustainability Sustainability Advisory Board makes a final decision as to whether the agreed measures and requirements are sufficient for product groups or products to be awarded a PRO PLANET label.  
If product groups or products meet the final agreed requirements, they are allowed to the PRO PLANET label for a limited period of time.

The  
Earth  
at  
focus:  
the  
PRO  
PLANET label

The PRO PLANET label, which will be redesigned in 2020, focuses on the earth.  
focus. Frequently, the measures of REWE Group often address challenges from several thematic complexes - depending on which which problems arise for people, animals and the environment in the production of the production of the private label products. The sustainability contribution below the globe always describes only the most important contribution of the REWE Group for the respective product or merchandise group. On the website [www.pro-planet.info](http://www.pro-planet.info) for further information.  
Currently, products with both the old and the new label are in circulation.  
label are currently in circulation. In the year under review, REWE Group informed consumers about the introduction of the new label.  
about the introduction of the new label.

Development  
of the  
PRO  
PLANET products

As part of its realignment, REWE Group has set itself a goal for the development of PRO PLANET: By the end of 2025, 25 per cent of REWE's and PENNY's private labels in Germany should bear the PRO PLANET label. In order to be able to monitor this target precisely, REWE Group records corresponding key figures in relation to the volume of products purchased.

In 2020, PRO PLANET products developed differently in the individual merchandise groups.  
developed differently in the individual product groups. Overall, there has been an increase in the total PRO PLANET products in Germany can be recorded. The share of PRO PLANET products in the purchase volume of the of private label products at REWE and PENNY in Germany was nine percent in 2020.  
slightly below the previous year's level (2019: 10 percent). This development is attributable to the

to the sharp increase in the total volume purchased across all product groups due to the Corona pandemic. At toom Baumarkt, both the number and the share of PRO PLANET products in the products as a proportion of the volume of private label products purchased remained at a constant level.

PRO  
PLANET products  
Germany

2018 2019 2020

Number of PRO PLANET products at REWE and  
PENNY in Germany<sup>1</sup>

872 933 1.266

Share of PRO PLANET products in the  
of private label products purchased at REWE  
and PENNY in Germany<sup>1</sup>

10 % 10 % 9 %

Number of PRO PLANET products purchased at toom Baumarkt in  
Germany<sup>1</sup>

298 309 306

Share of PRO PLANET products in the  
of private label products purchased at toom  
Baumarkt in Germany<sup>1</sup>

10 % 10 % 10 %

<sup>1</sup> The purchase quantity represents the number of sales units of the private label products purchased.

REWE Group Sustainability Report 2020  
PackagingPackaging

Packaging is part of our everyday lives. They fulfill many important functions: They keep food fresh, protect it and enable it to be transported. They also provide space for important information. However, along the value chain of packaging value chain, however, generates a large number of negative ecological effects. In the production of packaging, for example natural resources are used, energy is consumed and emissions are released. emissions. If the packaging waste is disposed of incorrectly and not recycled, it ends up in an incinerator or, if not or, if not If the packaging waste is disposed of incorrectly and not recycled, it ends up in an incineration plant or, if not disposed of properly, in nature. The stakeholders of REWE Group consider the topic of packaging to be particularly relevant for the the company (for more information, see the Materiality Analysis section).

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and the environment. products, energy, climate and environment, employees and social commitment. developed. In addition, the strategy Green Products

2030 strategy was adopted to integrate sustainability even more strongly into procurement processes. Within the framework of the fields of action the retail and tourism company is developing effective measures in the Green Products pillar in order to measures in the Green Products pillar to reduce environmental and social impacts. reduced. Within the environmental field of action, the focus topics of circular economy, water, and biodiversity. Packaging plays a special role in the The area of packaging plays a special role in the focus topic of circular economy.

## GRI 301: Materials

### Management approach

In its guideline  
for

sustainable

REWE Group is committed to the efficient use of natural resources

use of natural resources such as soil, air and water, as well as raw materials, fuels and combustibles.

fuels. To this end, REWE Group optimizes relevant resource consumption in its business processes and implements

processes and implements product- and raw material-related measures in the upstream and downstream stages of the value

downstream stages of the value chain.

Guideline

gives

the

framework

In order to make sales and service packaging more environmentally friendly, the

REWE Group has developed a guideline

for

more environmentally friendly

packaging

created. It defines a binding framework for action for the REWE

Group and its contractual partners. It describes which factors have

positive ("Dos") and negative ("Don'ts") effects on the environmental

environmental friendliness of packaging.

For REWE Group, the circular economy is an important approach to conserving resources and protecting the environment and climate.

resources and to protect the environment and climate. Since packaging causes considerable

consumption of resources, the trading group has developed a comprehensive approach for

more environmentally friendly packaging. In the process, REWE Group worked closely with

stakeholders - from the purchasing departments to selected NGOs and packaging design experts.

to experts in packaging design.

To develop the approach, a data analysis was first conducted. On the basis of this

key impacts and levers were identified. The approach was then

approach was then specified in terms of goals and measures. In a stakeholder review process, the

approach is constantly being

further developed in a stakeholder review process.

In order to make progress measurable, REWE Group has defined the following key performance indicator (KPI) with associated targets for the packaging area



has defined the following key performance indicator (KPI) with associated targets:

KPI  
Target  
Status

Proportion of more environmentally friendly sales and service packaging for own brands1100 % by the end of 2030

In progress Target achieved



Target not achieved

1 The reference quantity of private label packaging is considered. This target applies to REWE Group in Germany (REWE, PENNY, toom Baumarkt) and since 2019 also for the international brands (BILLA, MERKUR, PENNY and ADEG).

"More environmentally friendly packaging" is packaging that has the lowest possible impact on the environment. To achieve this, packaging must be avoided where possible, reduced or improve it in terms of its environmental effects. These principles are to be applied in the order - the best packaging from an environmental point of view is that which can be avoided completely. can be avoided.

Six  
criteria  
for  
more environmentally friendly  
packaging

The following six criteria serve as adjusting screws to reduce the negative environmental impact of packaging:



Use of reusable alternatives



Reduction of material use



Promotion of recyclability



## Use of secondary raw materials

- 

## Use of alternative materials

- 

## Use of certified raw materials

Packaging to which the criteria are applied will ideally also show a better result in a life cycle assessment. Life Cycle Assessment REWE Group considers life cycle assessments to be a helpful tool for evaluating the environmental friendliness of packaging, for example when changing materials. Every optimization of a packaging or a packaging component according to the criteria basically has a positive environmental effect and contributes to achieving the goal of "100 percent more environmentally friendly private label packaging." Packaging should always be optimized or reduced as comprehensively as possible. possible. Based on the current state of research and current developments packaging is constantly reviewed and continuously optimized.

In addition to the strategic packaging target of "100 percent more environmentally friendly REWE Group has set itself further sub-targets that are also subject to continuous progress reviews. progress: For example, 100 per cent of PET packaging in the laundry detergent and cleaning packaging in the laundry detergents, cleaning products and household cleaners segment should be made of 100 per cent recycled material by the end of 2021. REWE Group is aiming for at least 20 percent recycled material from the yellow bag wherever possible. from the yellow bag. In addition, by the beginning of 2025, all PET beverage bottles are to have an average on average 25 percent recycled content by the beginning of 2025.

In addition, REWE's and PENNY's private label packaging in Germany is to contain 20 percent less plastic by the end of 2025. In addition, the two sales divisions are aiming for 100 percent of their private label packaging to be recyclable by the end of 2025. plastic packaging is recyclable by the end of 2025. Their goal of using 100 percent certified private-label certified paper packaging by the end of 2020, REWE and PENNY in Germany have slightly missed the mark. They are continuing to work on reaching the target.

On products that are packaged in a more environmentally friendly way, REWE Group provides transparency with three corresponding seals for transparency. The labels enable customers to on more and more products, customers can see at a glance which measures have already been implemented to optimize the packaging. packaging have already been implemented, such as reduced material use, the use of secondary secondary raw materials or the use of alternative materials.

## Systematic integration into purchasing processes

The approach to more environmentally friendly packaging is systematically integrated into purchasing

processes across all purchasing processes. REWE Group ensures a transfer of knowledge within the company by means of a fixed Group ensures the transfer of knowledge within the company, among other things, through a permanently installed working group on the topic of packaging.

In its implementation, REWE Group relies on three pillars that build on each other:

- 

The trading company anchors defined requirements for more environmentally friendly packaging in its purchasing processes. packaging in its purchasing processes. For the evaluation of packaging and REWE Group has developed instruments for evaluating packaging and packaging alternatives. requirements allow a classification of the environmental friendliness of packaging.

- 

Supplier discussions provide the basis for cooperation with a view to potential for the potential for improving the environmental friendliness of packaging.

- 

Innovation projects lead to the development of new packaging concepts, for example through cooperation with partners from the supply chain, through involvement in research projects and industry initiatives, or through collaboration with start-ups.

This can involve, for example, the use of alternative raw materials or the avoidance of packaging by means of innovative technologies.

Award more sustainable packaging ideas

In the year under review, REWE Group, in cooperation with the German Sustainability Award Foundation for the second time. of the German Sustainability Award. The focus of the competition focuses on concepts and ideas that reduce, optimize or avoid packaging packaging and at the same time meet the requirements of consumers' requirements in terms of hygiene, information and convenience. The winner was food manufacturer Frosta for its paper-based frozen food packaging. made of paper.

Measures for more environmentally friendly packaging

In order to set an example for the reduction of plastic waste, REWE Group has introduced more environmentally friendly packaging in its REWE (2016), PENNY (2017), DER Touristik Reisebüros (2017), and toom Baumarkt (2018) in Germany and at BILLA, MERKUR, PENNY, BIPA and ADEG in Austria (2017) have delisted the plastic bag.

"Out  
out  
Plastic"

With its initiative "Raus  
out  
plastic" initiative, REWE Group in Austria is working plastic on the shelves of BILLA, MERKUR, PENNY and ADEG. to save plastic. For example, Echt B!O, the private label of PENNY Austria, has been offering blood oranges in cotton netting since 2018. Some fruits and vegetables are also offered unpackaged, including pumpkins and zucchini. and zucchini. In addition, since the end of 2019, the entire organic fruit and vegetable range in Austria will only be offered unpackaged and loose or more environmentally friendly packaging, and in 2020 the organic milk of the milk of the Ja! Natürlich brand will be switched to refillable glass bottles. Since the start of the packaging optimization program in 2011, the Ja! private label alone, Ja! Natürlich brand alone, 1,100 tons of plastic and 4,830 tons of CO2 have been saved.

In addition, REWE Group has implemented a wide range of other measures to make packaging more environmentally friendly packaging and to optimize the use of resources. Through more than 2,000 implemented packaging changes, REWE and PENNY save approx.

8,900 tons of plastics annually (as of October 2019).  
As a first step, REWE Group is working intensively to avoid packaging (1):

Reusable nets  
at  
Fruit and  
Vegetables

At the end of 2017, REWE Group addressed for the first time how to reduce plastic fruit bags ("knotted bags") can be reduced: Customers were able to purchase reusable fresh fruit nets at participating REWE stores and use them to transport fruit and vegetables. REWE stores to purchase reusable fresh food nets and bring them back for transporting fruit. for transporting fruit. In addition, it was pointed out that fruits and vegetables with natural protective can also be transported without any packaging at all. In October 2018. REWE became the first major grocer in Germany to introduce these reusable fresh produce nets nationwide, followed in 2019 by PENNY with the nationwide introduction of the cotton nets. And REWE Group also became the first retailer to offer reusable fresh food nets in Austria in 2018 - for the more resource-conserving transport of unpackaged fruit and vegetables. In the reporting year REWE Group in Austria was honored with the WorldStar Packaging Award.

Less

## Packaging through Natural Branding

Since March 2017, REWE has been using what is known as "natural branding" and information directly onto the outer skin of sweet potatoes. For this purpose only pigments of the outermost skin layer are removed. The labeling takes place only on the surface, is completely contactless, and has no influence on taste, quality, or shelf life. Printed packaging for labeling organic goods thus becomes superfluous - plastic, paper and metal can be saved.

Plastic, paper and metal can be saved. During seasonal planning and vegetables are regularly checked for their natural branding capabilities and, where appropriate tested or converted where appropriate.

## Fruit and vegetables unpackaged

REWE and PENNY have been offering a variety of fruit and vegetable products unpackaged for a long time - and continue to expand their commitment. Since April 2020, REWE has been offering organic fruit and vegetables nationwide. vegetables without plastic or with improved packaging as far as possible. In this way, annual savings of 210 metric tons of plastic and 80 metric tons of tons of paper in the organic fruit and vegetable sector. This step was preceded by an "unpackaging test" in 630 REWE and nahkauf stores in Baden-Württemberg, the Palatinate and Saarland. In the process organic fruit and vegetables, plastic packaging was largely dispensed with or environmentally plastic packaging or used more environmentally friendly packaging. used. The German Nature and Biodiversity Conservation Union (NABU) provided support and advice. (NABU) provided advice and expertise.

Another example of the avoidance of packaging material is the switch from film packaging to adhesive sleeves or adhesive labels for cucumbers. By switching REWE and PENNY cucumbers, around 160 metric tons of plastic are saved each year. saved. And toom Baumarkt is also working on avoiding packaging material. For example, the sales division is reducing the use of plastic labels for plant products. By 2020 seven million labels could already be saved.

## THE Tourism avoids Disposable plastic bottles

On average, each vacationer uses at least 20 plastic bottles during a round trip to Asia round trip. To reduce the amount of plastic waste in vacation regions, Go Vacation, DER Touristik's incoming agency, has been giving out plastic bottles to round-trip guests since winter 2017/18.

of DER Touristik tour operators Dertour, Jahn Reisen, ITS, Meier's Weltreisen, ADAC Reisen, Travelix and Kuoni in Indonesia at the start of their trip, which they can also take home.

with home to take can. In all round trip hotels and also with intermediate stops in water dispensers, the bottles can be refilled at all round-trip hotels and restaurants. In the future, disposable plastic bottles will be dispensed with completely in the future. On Bali, guests will also receive cloth bags so that plastic bags become superfluous. Both the drinking bottles and the cloth bags were produced locally. The campaign was extended to Vietnam and Sri Lanka in 2019.

Single-use plastic  
in  
tourism  
Avoid:  
"Plastic  
Free  
Balearics"

The Futouris project "Plastic Free Balearics" aims to reduce or completely eliminate the use of single-use plastic in the hotel industry or to avoid it completely. This should also reduce the amount of plastic waste is to be reduced and further recycling optimized. In 2019, at selected hotels, the plastic hot spots were identified: These include water bottles and disposable plastic toiletries in guest rooms and individually wrapped portions at the buffet or the use of buffet or the use of cups and cutlery made of single-use plastic in outdoor areas. The DER Touristik Group is participating in this project with a hotel on Mallorca. Here based on the findings, measures such as the provision of plastic-free straws, loose teas, dispensers for soap, shampoo and shower gel as well as communication measures for guests and training guests and training for employees. In addition, the plastic packaging of delivered goods and foodstuffs are analyzed and reduced wherever possible.

Packaging-free  
products  
at  
the  
fresh food counter

Following successful tests in March 2019 and the rollout in July 2019, REWE Group is enabling in Austria will enable all BILLA and MERKUR stores to fill sausage and cheese as well as coffee coffee beverages into containers that customers bring with them. The customers bring an empty, clean reusable box or a coffee cup. The employees fill this container and label it. and attach a label to it. In this way, packaging consumption can be reduced. can be reduced. Since June 2019, it has also been possible to bring containers to almost all German REWE stores with fresh food counters. stores with fresh food counters.

Reusable system  
for  
the  
Salad Bar

As the first food retailer in Germany, sales division REWE has been offering a free reusable system for the salad bar together with the start-up VYTAL since 2020. Reusable system for the salad bar. The special feature is that the system works without a deposit. Next to the salad bar is a VYTAL vending machine with

fresh reusable packaging. Customers can take a bowl from the machine by scanning the QR code from their VYTAL customer account. customer account. They can fill the tray as usual and pay at the checkout. pay. There, the tare weight of the tray is automatically deducted. Within 14 days, the tray can be returned either to the return machine in the REWE store or at other VYTAL partners such as cafés and restaurants. restaurants, can be returned. The deposit-free reusable system will initially tested in five REWE stores in Cologne.

If complete packaging avoidance is not possible, REWE Group is working with the aid of various various measures to reduce the material (2):

Packaging material  
reduce

Reducing the use of film in selected REWE and PENNY private label products, for example in breakfast and garbage bags and in packaging for kitchen towels and toilet paper, lead to a total saving of 590 tons of plastic per year. And also in Austria REWE Group is also working to reduce material: Since 2020, the BIPA sales division has been offering selected products of the bi good brand in refill bags. This measure saves up to 75 percent of packaging material.

Savings  
thanks to  
tubular bags

Since 2020, the REWE sales division has been selling Wilhelm Brandenburg's minced beef in so-called tubular bags. Packaging with an inert gas atmosphere saves around 60 percent plastic percent of plastic can be saved - equivalent to around 35 metric tons per year.

Where packaging cannot be reduced, it is used as far as possible in the interest of environmental friendliness as far as possible (3):

Materials  
in the  
cycle  
lead

In order to improve the non-avoidable packaging, the concept of the Circular Economy plays an important role for REWE Group. This is because the use of secondary raw materials, raw materials can be kept in the cycle, thus saving resources. resources. For example, REWE Group is a member of the Recyclate Initiative, a cooperation of partners of partners from various industries who are committed to effective recycling and take the principle of a circular economy. The common goal is to develop sustainable material cycles and to and to use recyclable materials from the yellow bag for this purpose. For the product group "REWE and PENNY have been continuously switching to packaging that is 100 percent recyclable since 2017.

packaging made of 100 percent recycled material, 20 percent of which comes from the yellow bag. from the yellow bag. In addition, since 2019 REWE and PENNY have been offering shower gel and soaps of the private label "today" in packaging made from 100 percent recycled material. Here, too 20 percent of the material comes from the yellow bag. The use of raw materials from the yellow sack is possible thanks to a special sorting technology based on laser optics.

In the future, REWE Group intends to convert more packaging to recycle (for more information, see "Management approach").

Beverage bottle  
from  
100  
percent  
recyclate

Many of REWE Group's own-brand beverage bottles have long been made a significant proportion of recycled PET (rPET) for some time now. With water bottle made from 100 percent recyclate, REWE and PENNY were the first food retailers to introduce a private-label beverage bottle made entirely from recycled beverage bottle made entirely of recycled plastic - for example, the for example, the 0.75 l water bottle (still) with sports cap of the private label brands PENNY Ready and REWE Beste Wahl brands. By the beginning of 2025, all PET beverage bottles should have an average recycled content of 25 percent. recycled content.

Use  
of  
recycled  
plastic

In cooperation with suppliers and other partners, toom Baumarkt developed packaging made almost 100 percent from recycled plastic. Since as early as 2011, the DIY stores have been offering private-label paint in buckets made from recycled plastic. In the year 2020, the range of paint buckets made from recycled plastic (Procyclen®) comprised 130 items. Compared to packaging made from primary materials, the CO2 emissions of containers made from recycled material is reduced by up to 50 percent. Since its introduction, toom Baumarkt has thus saved over

1,000 tons of CO2 since its introduction. Since 2015, toom Baumarkt has also used, for example, tubs, buckets, and storage boxes made of recycled plastic to its product range and is and is continuously expanding its range of products with recycled content. In addition toom Baumarkt has been requiring its plant suppliers to use only recyclable culture pots since July 2020. use only recyclable plant pots made from at least 50 percent post-consumer recyclate. yogurt lids. Yogurt lid as reusable solution

Both REWE and PENNY have dispensed with the additional plastic lid on selected yogurt brands in the 500-gram yogurt in 500-gram pots without the additional plastic lid. Through this measure, the two sales lines save a total of 120,000 kilograms of plastic every year. To make it easier for customers to to reseal the opened yogurt pot conveniently and hygienically, REWE and PENNY offer food-safe reusable lids.

bi  
good:  
Packaging



with  
highest possible  
recycled content

In Austria, the BIPA sales division launched a new line in 2014 under the name bi good for household and care products. The packaging consists exclusively of recyclable materials and have the maximum recycled content currently possible. Thus bottles (HDPE or PET) and folding cartons (paper) are made from 100 percent recycled material and tubes (PE) from 60 percent recycled material.

A  
functioning  
recycling  
support

To ensure that packaging materials can be reused after disposal, effective recycling is of central importance. recycling is essential. For this, in turn, the packaging waste must be separated according to separated. To support this process, REWE Group has been a founding member of "Holy Grail 2.0" since 2020. founding member of "Holy Grail 2.0" since 2020. The initiative aims to improve sorting by means of a digital watermark on packaging. The codes, which are invisible to the naked eye, are applied to the entire packaging. With the aid of a camera, the watermarks are recognized in the waste sorting system and the packaging can be automatically sorted according to the relevant data. The result: Better sorting streams and thus higher quality recyclates.

Use  
of alternative  
materials

Another approach to improving packaging is the use of grass paper. The alternative packaging material consists of 40 percent sun-dried grass and only 60 percent wood. 60 percent wood. Grass is a rapidly renewable raw material and requires less water when and requires less water and energy to produce than virgin fiber or waste paper.

or waste paper. Chemicals are not used at all in the production of grass pellets. In addition the production of grass paper generates fewer greenhouse gases than the production of conventional paper from virgin fiber or waste paper. The raw material for the grass pellets comes from unused compensation areas in the immediate vicinity of the paper mill. This means that the grass packaging has a comparatively good eco-balance.

At present, REWE Group uses packaging made of grass paper, for example, for the PENNY Naturgut organic apples nationally, PENNY Naturgut organic vine tomatoes nationally and REWE organic pears regionally. At REWE Group in Austria, since 2020 the herbal and flower seeds and teas of the Ja! Natürlich brand have been packaged in grass paper.

In order to improve the packaging of plants, toom Baumarkt began in the year under review to gradually began gradually converting the protective sleeves to thin kraft paper.

## REWE Group Sustainability Report 2020

### Water

The manufacture of products in the supply chain requires the natural resource of water. is required. Many products are manufactured in areas where water stress is prevalent. As water is a vital resource and high consumption leads to water scarcity, sustainable and careful use must be ensured.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with four central pillars: Green Products

products, energy, climate and environment, employees and social commitment. developed. In addition, the strategy

### Green Products

2030 strategy was adopted to integrate sustainability even more strongly into procurement processes. Within the framework of the fields of action the retail and tourism company is developing effective measures in the Green Products pillar in order to measures in the Green Products pillar to reduce environmental and social impacts. reduced. Activities in the area of water are assigned to the Environment field of action. Here This involves the use of water in the supply chains of REWE Group's food and non-food products. REWE Group. Measures for the operational use of water at REWE Group are described in the section Operational water consumption.

### GRI 303: Water and Wastewater

### Management approach

For all business relationships, the guideline for sustainable

of REWE Group applies to all business relationships.

It is based on the Universal Declaration of Human Rights of the United Nations, the conventions of the Conventions of the International Labor Organization (ILO) and the UN Global Compact. The

guideline includes requirements for the careful use of soil, air, water and other natural resources. other natural resources. These basic values apply both to the company's own business processes as well as for business partners and suppliers of REWE Group. In the event of REWE Group reserves the right to impose sanctions in the event of deliberate gross disregard of the values described in the guideline. Group reserves the right to impose sanctions.

In its guideline published in 2020

for  
Water Conservation  
in  
the

supply chain, REWE Group summarizes its

summarizes its measures and goals with regard to the reduction of water use and water pollution.

water pollution. It defines a binding framework for action and serves to employees and partners in the supply chain for the importance of water conservation. water conservation.

As part of a risk analysis carried out in 2017 and further individual hot-spot analyses, the topics of water use and water pollution were examined.

the topics of water use and water pollution in raw material cultivation and in production were in production were identified as key topics: High water use occurs

particularly in the extraction of raw materials such as wood, cotton and natural stone, and in the cultivation of fruit and vegetables.

cultivation of fruit and vegetables. In addition, the production of paper, metal and plastic is associated with a high

high and, in some cases, inefficient water use. Water pollution is particularly prevalent

in ornamental plant cultivation, in the cultivation of fruits and vegetables, and in fish farming. Also in

The use of environmentally harmful chemicals in textile production also pollutes the waters and can and can lead to severe environmental damage.

Microplastics as well as dissolved, liquid and gel-like polymers enter inland waters or oceans through wastewater and pose a threat to the environment.

inland waters or oceans and thus pose a risk to water as a resource. Similarly disposable plastic and plastic packaging, which can decompose into microplastics. microplastics.

With regard to water use and water pollution, REWE Group has identified the following Focus product groups or raw materials:

To advocate for responsible water use along the entire supply chain, REWE Group follows the overarching management approach for responsible supply chains (see section supply chains (see section Ecological

Aspects in the supply chain).

Negative environmental impacts in the supply chain and measures taken Measures

With its measures, REWE Group strives to reduce the use of water in the supply chains and to and to increase water efficiency. In addition, water pollution is to be pollution is to be avoided and effective water treatment is to be implemented.

Water use

In order to reduce water use in the cultivation and production of its private label products, REWE Group works with water

REWE Group cooperates with certification systems that oblige their producers to use

to use water resources sustainably in their processes. These include Rainforest Alliance / UTZ, Fairtrade, Cotton made in Africa or Naturland, for example.

As part of REWE Group's Green Production Program, the metal and plastic producers present an ISO 14001 certificate or are subjected to a self-assessment, which also includes information on water consumption. Producers of strategic suppliers with a high risk in this respect are subsequently supported in training and

projects to help them achieve water savings (for more information, see section

see section Ecological Aspects in the supply chain).

## Water pollution

The REWE Group's Green Production Program also contributes to the reduction of water pollution: Producers of selected suppliers receive support in their wastewater management through training and consulting services to support them in their wastewater management. This includes the analysis of potential for improvement, measures to reduce pollutants in wastewater, and progress measurement.

To counteract water pollution along its textile supply chains, the REWE Group has set up a Detox program for clothing, shoes and home textiles of its own brands. Within the framework of this program, water pollution caused by chemicals is to be avoided. Water pollution caused by chemicals (for more information, see the section on Ecological Aspects in the supply chain).

In addition, REWE Group makes precise specifications regarding the use of pesticides and fertilizers on agricultural land, which clearly exceed the legal requirements. go far beyond the legal requirements. Critical substance classes may not be used in the cultivation of ornamental plants or fruit and vegetables. cultivation of fruit and vegetables. In addition, REWE Group limits the sum of all residues in fruit and vegetable cultivation, REWE Group limits the total amount of all pesticide residues. This is to avoid negative additive effects that can result from the use of different active ingredients. can result. In addition to this, a limitation of the "acute reference dose" is also prescribed.

- defined by the World Health Organization, which a person can safely ingest in a day. a person can safely consume in one day. In addition, fruit and vegetable suppliers must meet REWE Group's fruit and vegetable suppliers must also comply with certain nitrate levels. Within the framework of residue monitoring REWE Group regularly monitors compliance with these requirements. For water protection, REWE Group also works with certification organizations such as Rainforest Alliance / UTZ, QS Quality and Safety or GLOBALG.A.P. for water protection. In addition to

In addition to their own residue monitoring, they also carry out extensive measures for preventive water preventive water protection. In fish farming, REWE Group attaches importance to the ASC-standard, which requires regular water quality checks and treatment of the wastewater produced. wastewater.

## Microplastics avoid

Both microplastics and dissolved, gel-like and liquid polymers are used in the formulations of cosmetic products.

used in formulations of cosmetic products. In its guideline  
for

## Microplastics in

cosmetic products, REWE Group therefore prescribes  
Group sets out requirements and measures for the use of these substances in cosmetic  
cosmetic products. The company has set itself the goal of reducing  
2020, the company has set itself the goal of eliminating microplastics from the formulas of all  
REWE and PENNY brands in Germany by the end of 2020 in accordance with the  
REWE Group understanding defined in the guideline. In addition  
formulations of cosmetic products, where possible without compromising performance.  
synthetic and semi-synthetic polymers in dissolved, gel-like or  
in dissolved, gel-like or liquid form. Both objectives  
were achieved in the year under review. To this end, the company continuously reviews its  
with its suppliers, the company continuously reviews its entire  
range of own-brand cosmetics in close cooperation with its suppliers in order to develop new  
microplastics. In this way, REWE Group already removed microplastics from  
all private-label cosmetics from Microbeads, which are used for example as  
used as abrasive particles in peelings, for example.

In order to make it easier for consumers to find their way around, REWE  
Group has developed its own seal. It identifies cosmetic private labels  
free of microplastics according to REWE Group's understanding and free of the focused  
the focused dissolved, gel and liquid polymers.

In its three-step approach to greener packaging, REWE Group is pursuing its  
goal of using 100 percent more environmentally friendly private label packaging by the end of 2030.  
In addition, specific sub-targets have been formulated for the private label products of REWE and PENNY  
products in Germany: For example, by the end of 2025, all sales and service packaging  
plastic sales and service packaging of REWE and PENNY private labels that cannot be avoided,  
be recyclable. In addition, by the end of 2025, a total of 20 per cent less plastic is to be used in the  
and service packaging for REWE's and PENNY's own brands by the end of 2025.  
are to be used.

By avoiding, reducing and improving packaging, the aim in the future is to, among other things

less plastic will be used in the future. This is because plastic serves as a source of microplastics, which  
pollute the  
environment and pollute our waters. For more information, see the guideline  
for  
more environmentally friendly  
packaging.

Marine litter  
at  
the  
Maldives  
effectively  
combat

REWE Group is committed to avoiding and reducing waste in the world's oceans. oceans. This problem is particularly prevalent in regions which do not have a functioning disposal infrastructure. Especially on the smaller islands of the Maldives atolls, the waste is not disposed of properly. disposed of. From 2019 to 2020, REWE Group, together with its tuna supplier together with its tuna supplier, the food retailer followfood, supported the Maldives in its efforts to combat increasing marine litter. Among the Measures in the Laamu atoll included the continuous disposal of plastic plastic waste on the islands, the installation of reusable drinking water systems to prevent the use of plastic bottles on fishing boats, and as well as ecological (further) education for children and young people.

REWE Group Sustainability Report 2020  
BiodiversityBiodiversity

As a trading and travel and tourism company, REWE Group's business activities have a variety of impacts on biological diversity. In addition to direct effects, for example at the locations of the company or in the transport of goods, the upstream and downstream stages of the value chain are also downstream stages of the value chain are of particular importance. Impacts arise here impacts arise from the unsustainable use of natural ecosystems - for example, in the extraction of raw materials raw materials, in the production of goods or in tourism.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with four central pillars: Green Products products, energy, climate and environment, employees and social commitment. developed. In 2017, the strategy Green Products 2030 strategy was adopted in order to integrate sustainability even more closely into procurement processes. Within the framework of the the fields of action of people, animals and the environment, the retail and tourism company is developing and tourism company is developing effective measures in the Green Products pillar to reduce environmental and social impacts. reduced. Biodiversity has been defined as one of the focus topics in the environmental focus topics. The retail company is pursuing the goal of preserving natural resources and and to protect and promote biodiversity along the supply chains.

GRI  
304:  
Biodiversity

Management approach

In the guideline  
for

sustainable

REWE Group is committed to the preservation and protection of natural  
natural ecosystems and supports the goals of the UN Convention on Biological Diversity.

(Convention on Biological Diversity). Furthermore, REWE Group has committed itself  
has committed itself to the initiative Biodiversity

in

Good

Company initiative, REWE Group has committed  
sustainable use of biological diversity into the company's sustainability management.  
integrated into its sustainability management.

When designing more sustainable product ranges, the preservation of biodiversity is an important  
criterion.

criterion. Biodiversity criteria can be applied via standard systems such as organic, Fairtrade, Forest  
Stewardship Council (FSC®), Rainforest Alliance / UTZ and Marine Stewardship Council (MSC).

can be taken into account. They are also applied within the guidelines issued by the

REWE Group for raw materials such as palm oil, fish or cocoa. Also in

product-related analyses within the framework of the PRO PLANET label award process.

Impacts on biodiversity are examined. In this way, negative impacts on biodiversity can be  
biodiversity can be identified and measures can be taken to conserve and promote it (more

see section PRO

PLANET).

In order to advance the topic of biodiversity, REWE Group relies on cooperations. The  
with numerous farmers and its partners NABU, the Lake Constance Foundation and various cultural  
Lake Constance Foundation and various cultural landscape foundations, the company supports regional  
projects that promote  
biodiversity in agricultural use.

With regard to the promotion of biodiversity, REWE Group has set itself the goal of promoting all  
relevant, regional open-air fruit and vegetable products to biodiversity-friendly cultivation by 2025.  
biodiversity-promoting cultivation by 2025.

"Food  
for  
Biodiversity."  
Alliance  
for  
protection  
the  
biological  
Diversity

In March 2021, REWE Group, together with other companies,  
associations and certification organizations from the food industry as well as environmental  
as well as environmental associations and research, founded the association "Food for Biodiversity".  
was founded. This first industry-wide alliance is committed to promoting the  
protection of biodiversity as a central concern of the food  
biodiversity as a central concern of the food industry.  
value chains. In this way, the members want to contribute to achieving the goals of the  
German and European biodiversity strategies, the objectives of the

Convention on Biological Diversity and the UN Sustainable Development Goals.  
sustainable development.

GRI  
304-2:

Projects  
at  
protection  
from  
significant  
Impact  
from  
activities,  
products  
and  
services  
at  
the  
Biodiversity

REWE Group's greatest opportunities to influence the protection of biological diversity lie in the area of private label production. The following projects show the focal points of the commitment in the reporting period. Progress and effects are evaluated on a project evaluated and reported within the framework of the projects presented.

Nature conservation  
and  
Agriculture:  
Hand  
in  
Hand  
for  
more  
Biodiversity

The aim of the PRO PLANET project is to increase biodiversity on farms and farmers and nature conservationists to increase biodiversity on conventional conventional fruit and vegetable farms. In addition to participating farmers, the Lake Constance Foundation, NABU and various foundation, NABU and various cultural landscape foundations are important partners of REWE Group, who implement individual measures on site to protect biodiversity. biodiversity on site. At the start of the project in 2010, the focus was initially on apple and pear orchards. Since 2016, the project has been extended pilot projects, the project has been extended to various fruit and vegetable crops. expanded. The number of participating fruit and vegetable farms has now grown to over 530 (as of the end of 2020). The products include broccoli, Chinese cabbage, iceberg lettuce, romaine lettuce, carrots, potatoes, in addition to apples and pears, romaine lettuce, carrots, potatoes, onions, cherries, plums and Blueberries. The fruits and vegetables are awarded the PRO PLANET label with the addition "For more biodiversity".  
The positive effects of the project are manifold: since 2010, a total of 24,900 (2019: 14,300) bushes, trees, and shrubs have been planted throughout



planted. Around 842 hectares (2019: 612 hectares) of flower strips have been planted and upgraded, and various forms of structural of structural enrichment such as dry stone walls or small water bodies were have been established. In addition, since 2010, around 11,745 (2019: 10,130) nesting boxes and nesting aids for birds and bats have been installed, as well as 5,698 insect nesting aids (2019: 4,722) have been installed. Through regular monitoring REWE Group checks the success of the implemented measures. The results of the wild bee monitoring carried out in the Lake Constance region in 2017 in the Lake Constance region in 2017 show a significant increase of about increase by around 100 percent from 56 to 117 different wild bee wild bee species, including 25 (2010: 5) threatened species. In 2019 wild bee monitoring was also carried out in the southern Rhineland. was carried out. According to this, wild bees occurred on ideal flowering areas, which have a high density of flowers and an undisturbed location, more wild bee individuals were individuals than on areas without measures. Nesting opportunities in the soil had a positive effect on the number of species. In the result confirmed that flowering areas have a positive effect on wild bee

on wild bee communities - provided that the areas are undisturbed and well undisturbed, well-developed areas with a high flower density. REWE Group is pursuing the goal of further expanding its monitoring of success. expand. The next wild bee monitoring is expected to take place in 2021 will take place. In 2020, the project was included in the retail guide for the protection of of pollinators of the European Union. In 2019, it was awarded European Bee Award and in the same year was one of the UN Decade of Biological Diversity projects. In addition, the project received the German CSR Award back in 2016.

Biodiversity  
at  
apple orchards:  
From  
Love  
to the  
bee

Together with the Polish Society for the Protection of Birds (OTOP) and farmers in the Grojec region of Grojec, REWE Group is committed to increasing biodiversity: The measures on the apple orchards in the apple orchards in the largest apple-growing region in Poland include the planting of flowering strips as a food source for insects and the installation of insect hotels and bird houses. The apples purchased from the fruit growers are handled separately and used to produce the REWE Beste Wahl apple juice and the PENNY Paradiso apple juice "For the love of bees". which carry the PRO PLANET label and are available seasonally.

Insect Protection Fund  
with  
the  
NABU  
to  
promotion  
of  
Biodiversity  
in  
the

## Agriculture

Various research studies have come to the conclusion that the mass of flying insects has declined sharply in recent decades. For this reason, REWE has supported the establishment of an insect protection fund of its long-standing strategic partner NABU in 2018 and 2019 with a total amount of more than 300,000 euros. With the amount the nationwide implementation of comprehensive measures for the protection of insects was thus making a contribution to combating the decline in insect numbers.

With the help of the Insect Protection Fund, areas are purchased in order to develop them in the long term as species-rich habitats for insects. and secure them as species-rich habitats for insects. A total of 164,800 square meters of land were purchased. For example, 25,000 square meters of conventionally farmed arable land was purchased and cultivation was discontinued so that development measures for insect diversity could be implemented. Furthermore measures were implemented to monitor insects, flowering areas were created and landowners and landowners and landlords were advised on insect promotion.

Native  
biodiversity  
with  
the  
Nature Conservation Program  
"Blooming  
Austria"  
promote

The "Blooming Austria" foundation was established in 2015 by REWE Group in Austria together with the nature conservation organization BirdLife Austria. was founded. The foundation's mission is to provide strategic, transparent and systematic financing of nature conservation projects. By funding projects with partners from public institutions, non-profit organizations and the private sector, "Blooming Austria" strengthens regional cooperation in particular. Austria" particularly strengthens regional cooperation. The financing of the foundation and the project activities was linked to specific products. for each product sold under the private label "Da komm ich her" ("Here I come"). (available at BILLA, MERKUR, ADEG and AGM), "always green" (MERKUR) and "Ich bin Österreich" (PENNY), a portion of the sales revenue flows into the foundation. Today, the foundation is not only the first, but also the largest initiative for a healthy environment and sustainable agriculture in Austria. agriculture in Austria. In 2020, the foundation's budget amounted to 1.4 million euros.

The foundation's 2018-2022 conservation strategy, titled. "Anchoring Sustainability, Living Austria's Diversity," pursues the goal of establishing by 2022 to protect a total of 1,000 hectares of endangered ecological areas. protect. In 2020, 132 farms participated in the FLORA program (Förderung of farmers and organizations to save our biodiversity). As a result, 621 hectares of ecologically valuable land can be protected with an 290,000 can be preserved. The financial support also provides small-scale farming families with an economic planning perspective and as an economic planning perspective and secures jobs.

REWE,  
PENNY  
and

toom  
DIY store  
put  
on  
peat-free  
soils

Peat was and still is being extracted from peatlands that have been drained for thousands of years. As a result animals and plants lose their habitat, and the carbon stored in the peat is released as climate-damaging released as CO<sub>2</sub>, which is harmful to the climate. That is why, in 2016, toom Baumarkt became the first DIY chain decided in 2016 to be the first DIY chain in Germany to replace its entire range of soil brand products to peat-free alternatives by 2025 at the latest. In 2020

the own-brand range of peat-free soils consisted of a total of ten products, seven of them Naturtalent by toom® potting soils and three toom quality brand products. The Naturtalent by toom® potting soils have been awarded the PRO PLANET label and certified with the Bio-certified with the organic Green Stamp®. In addition to the expansion of peat-free products, the proportion of peat substitutes from renewable raw materials is also being successively increased across all soils. With this changeover, toom Baumarkt is making a contribution to combating climate change and to biological biodiversity. biological diversity. The REWE and PENNY sales divisions have also extended their seasonal range with peat-free and peat-reduced alternatives.

Systematic  
reduction  
of  
pesticides  
and  
the  
renunciation  
from  
glyphosate  
at  
toom  
DIY store

Glyphosate, the world's most widely used pesticide in agriculture, is repeatedly the subject of again and again in the criticism. Among other things, a high-profile assessment by the International Agency for Research on Cancer (IARC) in 2015 found that glyphosate was probably carcinogenic. carcinogenic. In addition, if not used properly, there are dangers to the the environment, particularly to water bodies and their organisms. Because of this risk to humans and the environment, toom Baumarkt has been the first DIY store in Germany to refrain from the sale of products containing glyphosate.

In addition, the sale of pesticides that are particularly hazardous to bees and their pesticides and their use in the production of toom Baumarkt's plant assortment. In order to actively and environmental protection, toom Baumarkt has tightened up the requirements for its suppliers of suppliers and, since 2017, has been the first DIY store in Germany to only offer

ornamental plants that have been produced without pesticides classified by Greenpeace as particularly hazardous to bees.

pesticides classified as particularly hazardous to bees. And also in the area of chemical pesticides products that, according to a Greenpeace study, contain active substances that are particularly particularly hazardous to bees.

In addition to protecting insects by delisting certain active ingredients and pesticides, toom Baumarkt is also

toom Baumarkt has been continuously expanding its range of bee-friendly plants since 2016. An entomologist evaluates all relevant articles for their bee-friendliness. By the end of 2020 almost 1,000 items - including flower bulbs, herbs, and fruit trees - have already been assessed as bee bee-friendly and thus bear the "bee friends" claim.

A negative list on pesticide use in conventional fruits and vegetables.

REWE Group has set itself the goal of reducing the pesticide load in conventional fruit and vegetables. To this end, it is working with producers, NGOs and the scientific community on and science in order to minimize the impact on the environment and health while at the same time

and yield security for farmers. REWE Group has defined a has defined a negative list of active ingredients that producers are not allowed to use in production. used by growers in production. For more information on the use of pesticides in conventional fruit and vegetables, see the section on organic farming.

and vegetables, see the section on Ecological

Aspects

in

the

supply chain.

REWE Group Sustainability Report 2020

Climate protection in the supply chain Climate protection in the supply chain

With climate change, the global community is facing particular challenges.

Human activities are contributing to global warming - this has an impact on ecosystems

and thus also on social life. For this reason, 195 countries agreed in 2015

countries agreed in Paris on the goal of limiting global warming to well below two degrees Celsius.

two degrees. This climate agreement is now being implemented through political frameworks and

targets at the national level. Various scientific institutions

have developed methods and recommendations for action to translate this ambitious goal into practice. practice.

Given the major importance of greenhouse gas emissions from global agriculture for climate change, the focus of the retail industry's efforts to protect the climate is

increasingly on the upstream value chain. Also through the activities in the

upstream supply chains of REWE Group also release greenhouse gas emissions: for example

in the cultivation and manufacture of the products or in transport to the stores. At the same time

At the same time, climate change also creates risks for the trading company - from

from adverse effects on agriculture caused by severe weather events to regulatory developments regulatory developments such as CO2 pricing.

Consumers, employees and REWE Group stakeholders also assessed the issue as part of the

the topic as particularly important for the company in the context of the materiality analysis. company: They want climate protection to be taken into account at all levels. Central for the stakeholders is a more sustainable product range with more regional products. products (for more information, see the section on materiality analysis).

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and the environment. products, energy, climate and environment, employees and social commitment. developed. In 2017, the strategy Green Products 2030 was adopted in order to integrate sustainability even more closely into procurement processes. Within the framework of the areas of action - people, animals and the environment - the retail and tourism company is developing and tourism company is developing effective measures in the Green Products pillar to reduce environmental and social impacts. impacts. The topic of climate is one of the three focus topics in the environmental field of action. field of action. Within this framework, REWE Group is pursuing the goal of reducing CO2 emissions in its upstream supply chain. upstream supply chain and thus make an effective contribution to climate protection. climate protection.

GRI  
305:  
Emissions

## Management approach

REWE Group aims to contribute to limiting global warming in its own supply chains and to achieve the global warming and to achieve the Paris Climate Agreement. For this purpose, the strategic approach in the year under review, with the principle of "avoid" before "reduce" before "compensate." This relates to the upstream value chains of all private label products sold by REWE and PENNY in Germany. in Germany.

Within the framework of the approach, REWE Group pursues the goal of achieving an absolute reduction in the supply chains of its of greenhouse gas emissions in the supply chains of its private-label products by 15 per cent by the end of end of 2030 compared to 2019. In developing the target, the the requirements of the independent Science Based Targets Initiative (SBTi). oriented. The coalition of the UN Global Compact, World Resources Institute and WWF supports companies in developing science-based climate targets - in order to reduce global warming to well below two degrees Celsius by 2050.

Calculation  
of the  
CO2  
e footprint

To define the target and set the base year, REWE

Group calculated for the first time the total CO<sub>2</sub>e footprint of REWE and PENNY Own Brands for the calendar year 2019. For this purpose, the company analyzed its supply chain for Scope 3 emissions in accordance with the GHG Protocol. The emissions of significant product of major product groups caused by cultivation and raw material extraction, production, processing and transport. For reasons of materiality, influenceability and data availability, the emissions of the the own-brand products procured centrally by REWE and PENNY in Germany were products procured centrally by REWE and PENNY in Germany were considered first. supply chain emissions of third-party brands as well as other goods purchased by REWE Group (e.g. operating materials) and services purchased by REWE Group. The calculation method is based on the so-called "Environmentally Extended Input-Output-Model", which calculates global flows of goods and the the purchasing volume in a specific sector and region. region, and the corresponding environmental and social impacts.

Based on this footprint, the company has subsequently identified those commodity groups that have a high impact on the climate. These are milk and dairy products, sausage, vegetables, cheese, poultry, fruit, eggs, and pork and beef. In deriving the climate protection measures, the focus is on these nine product groups.

In addition to the greenhouse gas emissions that are generated in the REWE Group supply chain, the company also emissions are also released in REWE Group's own stores and at its administrative locations. (for more information on the measures to reduce operational greenhouse gas emissions, see the section on greenhouse gas emissions, see the section on Climate Protection at corporate level).

Measures  
and  
projects  
for  
reduction  
of the  
greenhouse gas emissions

In order to consistently reduce greenhouse gas emissions in the supply chain of its private labels, REWE Group is already implementing a number of different measures. The company is aware that a continuous expansion of these measures is necessary in order to achieve the reduction target to be achieved.

Deforestation-free supply chains

REWE Group is pursuing the goal of eliminating deforestation from its supply chains in the areas of wood/paper, palm oil and soy animal feed to be deforestation-free by the end of 2025. To achieve this, the company has set concrete targets (for more information, see sections Focus Raw Materials -Food and Focus Raw Materials -Non-Food). In this way, REWE Group aims to reduce its footprint in the supply chain.

supply chain. Thanks to the use of more sustainable soy as animal feed, the entire private label range of fresh eggs, drinking milk and fresh poultry meat at REWE and PENNY has already been certified deforestation-free since the end of 2019. REWE Group would like to extend this commitment to fresh pork and beef, and to offer 100 per cent deforestation-free soy feed by the end of 2021 and contribute to a deforestation-free supply chain.

## PRO PLANET greenhouse

For PRO PLANET greenhouse crops such as peppers, tomatoes and strawberries, REWE and PENNY rely on resource-conserving cultivation in greenhouses that are operated in a particularly greenhouses. Renewable energies are used to reduce greenhouse gas emissions. greenhouse gas emissions are reduced.

## Peat-free soil

By the end of 2025, REWE Group will have produced its entire soil assortment - both in the area of its and branded products - at REWE, PENNY and toom Baumarkt to peat-free alternatives. By dispensing with peat, REWE Group is reducing the emission of greenhouse gases from drained moors. For more information, see section Focus Raw Materials -Non-Food.

## Packaging

By the end of 2030, REWE Group will have made all sales and service packaging for its private brands at REWE, PENNY and toom Baumarkt will be more environmentally friendly. In this way - This way, greenhouse gas emissions can be avoided, for example by saving on plastics or using recycled materials. greenhouse gas emissions can be avoided. For more information, please see the section on Packaging.

## Plant-based alternatives: Food for Future

Greenhouse gases can be saved by avoiding animal products. can be saved. Against this backdrop, the PENNY sales division has also been strengthening its vegan private label "Food for Future" has been promoting the consumption of plant-based of plant-based alternatives: Meat, eggs or milk, for example, are replaced replaced by peas, soy or lupines.

REWE Group Sustainability Report 2020  
EcologicalEcologicalAspectsintheSupplyChain AspectsintheSupplyChain

REWE Group sources a large number of products and product components from within and

foreign countries. In particular, negative environmental effects arise in the cultivation and production of these products and natural raw materials are consumed. At the same time, the global demand for raw materials is increasing - for this reason, the protection of resources is a major concern of the REWE Group.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with four central pillars: Green Products, energy, climate and environment, employees and social commitment. In addition, the strategy Green Products 2030 strategy was adopted to integrate sustainability even more strongly into procurement processes. Within the framework of the fields of action the retail and tourism company is developing effective measures in the Green Products pillar in order to reduce environmental and social impacts. The activities relating to ecological aspects in the supply chain relate to the field of action - with the aim of protecting natural resources and preserving biodiversity along the supply chains. To this end, three focus topics have been defined, on which targeted measures are being worked on. In addition to the circular economy and biodiversity, these include the focus topic of climate, which was included for the first time in the reporting year. In the area of recycling management, the current focus is on packaging.

GRI  
308:  
Environmental assessment  
of  
Suppliers

## Management approach

In order to improve the ecological impact along its supply chains, REWE Group pays attention to compliance with environmental standards when selecting its suppliers and business partners. Together with them, the company is working to make supply chains more transparent and to make production more ecologically compatible. With the guideline for sustainable business relationships, REWE Group has formulated the principles of its business relations in the guideline for sustainable business relationships. In the area of ecology, these include:

- the careful use of resources such as soil, air, water and natural raw materials,

- Protection and preservation of natural ecosystems and biological diversity (biodiversity), and



as well as

- 

the avoidance and reduction of environmental risks.

These basic values apply both to REWE Group's own business processes as well as to business partners and suppliers of REWE Group. In the event of deliberate gross disregard of the values described in the Guideline

REWE Group reserves the right to impose sanctions.

In order to identify the significant ecological impacts and to take appropriate measures for improvement in the partly very complex and global supply chains of its products.

REWE Group applies a four-step process.

Step 1: Impacts are identified with detailed risk and hot-spot analyses.

Since 2016, REWE Group has significantly expanded and systematized its approach to identifying risks. expanded and systematized. For more information, see section Product-related Risk Analysis.

Step 2: Based on the insights gained in the first step, focus raw materials and thematic were derived. Textiles, plastics and metal and, in the food sector, fruit and vegetables as well as meat were identified as product groups with particularly high risks.

vegetables and meat were identified as product groups with particularly high environmental impacts.

Step 3: The focus raw materials and topics are addressed with appropriate measures, to counteract negative effects. These measures are implemented through a management approach at three different levels:

1.  
Internal  
cooperation:  
For example,  
through  
Training  
of  
buyers:inside
2.  
Cooperation  
in  
the  
supply chain:  
For example,  
through  
requirements  
to  
suppliers  
or  
the  
Purchasing  
certified  
raw materials

3.  
Cooperation  
with  
stakeholders:  
For example,  
through  
the  
further development  
of  
standard organizations

Depending on which risks are identified, measures may be defined differently, for example, a call for standards and certifications, cooperation with standard standard organizations, joining industry initiatives, and projects with local suppliers and producers. producers on site.

Step 4: The activities carried out are monitored and evaluated. The findings from The findings from monitoring are incorporated into the further development of the measures.

In order to make progress in the environmental field of action measurable, the following targets and Key Performance Indicators (KPIs) have been defined for the private labels (for further information, see the overarching management approach Green products):

KPI  
Target  
Status

Percentage of relevant food and non  
food producers integrated in an environmental program (REWE and PENNY in Germany)  
100 % by the end of 2030  
Share of more environmentally friendly own-brand packaging100 % by the end of 2030

In progress  
Target achieved



Target not achieved

1 The reference quantity of private label packaging is considered. This target applies to REWE Group in Germany (REWE, PENNY, toom Baumarkt) and since 2019 also for the international brands (BILLA, MERKUR, PENNY and ADEG).

Through the REWE Group purchasing companies on site, requirements and requirements and problems can be discussed directly with the suppliers or production sites and measures can be implemented. In the Asian region, for example, the sourcing and (RFE) is responsible for part of the procurement of food and non-food products in the products and plays an important role in improving environmental conditions in the supply chain. environmental conditions in the supply chain. For this purpose, the Corporate Responsibility Department department of RFE is in direct contact with suppliers and supervises the Green

Production  
Program and  
Detox Program on site.

In the procurement of fruit and vegetables, REWE Group is supported by its wholly-owned subsidiaries

subsidiaries Eurogroup and Campina Verde with their individual country representatives. country representatives. In this way, the trading company succeeds in making its value chains more transparent. chains more transparent. The country representatives for Spain, Italy, and Germany ensure a close with production and help to implement REWE Group's requirements in the best possible way. requirements in the best possible way.

GRI  
308-2:

Negative  
Environmental Impacts  
in  
the  
supply chain  
and  
measures taken  
measures

REWE Group implements concrete measures to reduce negative ecological effects implements within the framework of three approaches:

1.  
Internal cooperation  
Employees of REWE Group are regularly trained on relevant ecological topics so that they can topics so that they are taken into account when selecting suppliers and in the purchasing process. in the purchasing process. Information on relevant topics, such as biodiversity, packaging and biodiversity, packaging or deforestation.

2.  
Cooperation in the supply chain  
REWE Group's supply chain management includes supplier assessment, sensitization and commitment as well as audits and measures derived from them. The REWE Group works with established standards to gradually make the supply chain more sustainable. more sustainable. Special requirements are already taken into account in the tendering process and integrated into supplier contracts.

At supplier events and in individual discussions with suppliers, the REWE Group repeatedly raises awareness of ecological issues. In addition, the requirements on the are integrated both in the contracts with suppliers and in the guideline for sustainable management. guideline for sustainable management, so that compliance is confirmed by the suppliers with each tender or contract. suppliers with each tender or contract. For focus raw materials, such as cocoa or palm oil, the REWE Group guidelines with detailed requirements and targets, which are passed on to the suppliers.

Ecological  
standards

implement

When implementing improvements, REWE Group relies on internationally recognized standards, such as the Global Organic Textile Standard (GOTS), Cotton made in Africa for sustainable textiles or the FSC® and PEFC™ certifications for sustainable forestry. Standards such as Rainforest Alliance, Naturland, Fairtrade, Blue Angel, the Association for Food without Genetic Engineering e.V. and the EU organic logo also have an important role for REWE Group in bringing about an improvement in ecological conditions in the supply chain. At the supply chain level of production, REWE Group relies on, among other things

instruments of the Business Environmental Performance Initiative (BEPI) or the Detox Program. Detox program. In addition, REWE Group is actively involved in the following platforms platforms such as the Forum for Sustainable Palm Oil (FONAP) or the Forum for Sustainable Cocoa (GISCO). (GISCO), in order to further develop standards and bring about industry-wide improvements in ecological conditions. conditions (see also the section on Focus on Raw Materials -Food and Focus Raw Materials -Non-Food).

Climate protection  
in  
global  
supply chains

In view of the major significance of greenhouse gas emissions from global agriculture for REWE Group wants to contribute to limiting global warming by engaging in its own supply chains. contribute to limiting global warming. Also consumers, employees and REWE Group stakeholders also rated the issue as particularly important in the context of the as particularly important for the company in the materiality analysis (for more information see section see section Materiality Analysis). For example, the company has set itself the goal of achieving an absolute of greenhouse gas emissions in the supply chains of its own-brand articles of 15 percent by the end of percent by the end of 2030 compared to 2019. Read more about the approach to reducing greenhouse gas emissions in its supply chains can be found in the section Climate Protection in the Supply Chain.

A  
negative list  
for  
the  
use  
of  
plant protection products  
at  
conventional  
fruit  
and  
vegetables

REWE Group has set itself the goal of reducing the pesticide load in conventional fruit and vegetables. To this end, it is working with producers, NGOs and the scientific community on and science in order to minimize the impact on the environment and health while ensuring production and yield security for farmers. REWE Group has defined a negative list defined. This lists active ingredients that producers are not allowed to use in production. used by growers in production. The list is regularly expanded - in 2020 by a further 42 active ingredients. For

REWE Group has significantly tightened the upper limit of residues for 20 additional active ingredients. they may only amount to 25 percent of the legally prescribed maximum values. In order to specifications, REWE Group has commissioned specific analysis reports in recent years. analysis reports in recent years - for example, for 2017 on the topic of endocrine disruptors and for 2018 on the topic of substances hazardous to bees. In addition, all fruit and vegetable vegetable products are regularly analyzed for possible residues of pesticides in the pesticide residues as part of the quality management process. quality management. This risk analysis is also part of the annual seasonal planning of purchasing, as it is a decision criterion for whether and how an item is marketed.

Environmental effects  
with  
the  
Green  
Production  
Program  
check  
and  
improve

In 2018, REWE Group launched an environmental program for suppliers of REWE, PENNY and toom Baumarkt that contributes to the achievement of the KPI. contributes to: The so-called Green Production Program serves to improve the environmental effects at suppliers' production sites and to monitor them regularly. monitored on a regular basis. To this end, each production facility must submit a self-assessment based on the amfori Business Environmental Performance Initiative (BEPI) from amfori or an ISO 14001 certificate. In addition In addition, production sites are randomly assigned to undergo an amfori BEPI audit to verify compliance with environmental regulations. In the year In 2020, all suppliers producing for REWE Far East were included in the audit. This means that there are now 383 suppliers (711 production sites) of REWE Group are integrated into the Green Production Program. integrated. For all strategic suppliers whose processes are classified as processes are classified as environmentally hazardous, REWE Group conducts consultations for improvement. Textile suppliers are excepted from this, as the established the established Detox Program already exists for them.

Detox Program  
against  
negative  
effects  
in  
the  
textile production

In order to improve the ecological impact in the textile supply chain, the REWE Group joined Greenpeace's Detox campaign in 2014 and initiated a program for products with REWE Group as the distributor in the merchandise groups clothing, shoes and home textiles. The aim is to achieve safe

textile production without hazardous chemicals. To this end, REWE Group is working together with suppliers to systematically eliminate hazardous chemicals from textile production. eliminated from textile production. The Greenpeace Detox campaign officially came to an end in 2020. Independently REWE Group has committed to eliminating hazardous chemicals from textile production. eliminated.

In the years 2015 to 2019, REWE Group has documented its development with regard to the Detox-Program in annual progress reports. In 2020, the company launched a new Detox process. The approach includes, in particular, supplier development with a view to chemicals management.

Since 2020, REWE Group has been accessing the Manufacturing Restricted Substances List (MRSL) of the Zero Discharge of Hazardous Chemicals" (ZDHC) initiative. It contains chemicals classified as hazardous chemicals that may not be used in production. In addition factories must always have a valid wastewater test, a chemical inventory, and annual training. and participate in annual training. REWE Group sources its products from a pool of wet process factories that meet the new requirements.

Between 2018 and 2020, a total of 21 producers from e.g. China, Serbia, Italy, Bangladesh and Turkey were trained. Improvements were made in the areas of. management systems, process optimization, wastewater and waste management, and water consumption. waste management and water consumption. The participating producers of REWE Group were able to improve their performance by an average of 19 percent.

In order to further advance the topic, REWE Group promotes the exchange with other retailers and textile companies and supports the Green Button textile seal.

3.

Cooperation with stakeholders

In order to improve framework conditions, REWE Group joins forces with other companies and other stakeholders in industry initiatives and partnerships. and partnerships with other companies and other stakeholders, thereby increasing its influence. thereby increasing its influence. In addition, REWE Group actively participates in the further development of these partnerships and represents its interests there.

REWE Group is involved in the following national and international initiatives that address environmental impacts in supply chains:

- 

Member of amfori BEPI: The amfori Business Environmental Performance Initiative (BEPI) supports companies in improving their environmental performance in global supply chains.

- 

Exchange and collaboration with the Aquaculture Stewardship Council (ASC): The Fish

seal of approval promotes more environmentally friendly aquacultures and recognizes responsibly farmed fish and seafood.

•

Member of the World Banana Forum: The forum brings together different stakeholders in the global banana supply chain to promote more sustainable cultivation, respect for human rights and improve working conditions.

•

Member of the Alliance for Sustainable Textiles: The alliance is a partnership of stakeholders to achieve improvements along the global value chain in the textile industry. In 2021, REWE Group will once again develop a roadmap that pays attention to the alliance's goals.

•

Member of the Board of Cotton made in Africa: This initiative was launched with the aim of the living conditions of the people in the African cotton growing regions. to improve.

•

Member of the Fruit Juice CSR Platform: The platform drives social and environmental improvements in the fruit juice industry's supply chains. It was created to support European fruit juice producers in integrating CSR measures into their corporate into their business strategies and thus make a long-term sustainable contribution along the global along the global fruit juice value chain for all stakeholders.

•

Exchange and collaboration with the Forest Stewardship Council (FSC®): the organization organization promotes sustainable forestry and ensures compliance with key environmental and social standards. social standards.

•

Founding member of the Forum for Sustainable Cocoa (GISCO): The multi-stakeholder initiative initiative is committed to improving the living conditions of cocoa farmers, protecting natural resources natural resources and biodiversity, as well as for the cultivation and marketing of sustainable cocoa.

•

Founding member of the Forum for Sustainable Palm Oil (FONAP).

The aim of this multi-stakeholder initiative is to significantly increase the share of sustainably produced palm oil while at the same time improve existing certifications and standards.

•

Member of the Roundtable on Sustainable Palm Oil, RSPO): The non-profit RSPO association works with its members to establish global develop and implement global standards for sustainable palm oil. In order to produce certified sustainable palm oil, companies must meet a number of environmental and social criteria. REWE Group has been a member of the RSPO since 2011.

•

Member of the GLOBALG.A.P. working group on environmental aspects of crop cultivation: The Working Group is concerned with the further development of the GLOBALG.A.P. standard with the focus on environmental sustainability in crop certification. The standard is to be introduced in September 2021.

•

Regular exchange and cooperation with the Marine Stewardship Council (MSC): The MSC is an independent, non-profit organization that provides a seal for fish and Seafood from sustainable wild catches. The certified fisheries ensure sustainable fish stocks, intact marine habitats and the protection of endangered species.

•

Exchange and cooperation with the Programme for the Endorsement of Forest Certification Schemes (PEFCTM): The scheme for ensuring sustainable forest forest management considers the entire product manufacturing process from raw material to the The system for ensuring sustainable forest management considers the entire product manufacturing process, from raw material to end product.

•

Member of the Rainforest Alliance Standards Committee: Rainforest Alliance is a sustainability standard for the production of agricultural raw materials and products. The Standards Committee decides on the basis of the public standard consultations about the the further development of the content.

•

Participation in the Business for Climate Protection initiative: The aim of the dialog forum was to initiate the to initiate the development of specific climate protection measures in companies in order to contribute



to the climate protection targets. The initiative was concluded in March 2020.

•

Cooperation with XertifiX: In order to fully trace the supply chain of natural stones all the way quarry and to independently monitor compliance with social and ecological criteria. criteria, toom Baumarkt works together with the independent experts from XertifiX. together.

•

Sponsorship with the Donau Soja association: Since 2016, there has been a protein partnership with the Donau Soja association. Donau Soja association to promote GMO-free soybean cultivation. This resulted in a joint project in the Zupanja region in Croatia in 2017 and 2018 to support farmers. Support for farmers.

•

Participation in the Biodiversity in Good Company initiative: In this cross-sector association, companies companies are working together to protect and sustainably use the world's sustainable use of global biodiversity. As part of the initiative, REWE Group has initiative to integrate the protection and sustainable use of biodiversity into its corporate sustainability integrate the protection and sustainable use of biodiversity into its corporate sustainability management.

•

Founding member of the "Food for Biodiversity" initiative: In March 2021, REWE Group together with further companies, associations and certification organizations from the food industry, as well as environmental associations and research, founded the association "Food for Biodiversity" association. This first industry-wide alliance is committed to making the protection of biodiversity as a central concern of the food industry, right down to the upstream upstream value chains.

•

Consumer Goods Forum member: The organization aims to help retailers and consumer goods manufacturers to work with other key stakeholders to build consumer stakeholders to secure the trust of consumers and bring about positive change. under the motto "Better Lives through Better Business."

•

Member of the Floriculture Sustainability Initiative (FSI): The organization from the Netherlands advocates responsible production and trade of plants along the supply chain. along the supply chain. By becoming a member of the initiative, toom Baumarkt is committed to the initiative's goal of ensuring that by 2020 and beyond, at least 90 percent of its ornamental plants sustainably according to the criteria of the initiative. Suppliers must

have an environmental and social standard in accordance with the applicable certification systems such as GLOBALG.A.P. and MPS GAP or GRASP and MPS SQ. toom Baumarkt is also actively involved in is also actively involved in working groups aimed at making the ornamental plant trade more sustainable. more sustainable.

## REWE Group Sustainability Report 2020 SocialAspectsintheSupplyChainSocialAspectsintheSupplyChain

REWE Group sources a large number of products and product components through Supply chains that can extend across several countries. Particularly in the supply chain stages of raw material cultivation and processing in particular. disregard for labor and social standards. They are therefore the focus of the activities of REWE Group.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with four central pillars: Green Products

products, energy, climate and environment, employees and social commitment. developed. In 2017, the strategy

Green  
Products

2030 strategy was adopted in order to integrate sustainability even more closely into procurement processes. Within the framework of the the fields of action of people, animals and the environment, the retail and tourism company is developing and tourism company is developing effective measures in the Green Products pillar to reduce environmental and social impacts.

reduced. The activities relating to social aspects and fairness in the supply chain relate to the human to the area of action People. These include respecting and strengthening human rights and improving working conditions, as well as promoting fair trade. The aim is aim is to work with business partners and suppliers to implement binding standards for the and suppliers, and to promote dialog between all partners in order to strengthen human rights and

- to strengthen human rights and further improve labor and social standards.

GRI  
414:  
Social  
Assessment  
of  
Suppliers  
GRI  
412:  
Audit  
on  
Compliance  
of the  
Human Rights

### Management approach

For all business relationships, the guideline for sustainable of REWE Group applies to all business relationships.

It is based on the Universal Declaration of Human Rights of the United Nations, the conventions of the Conventions of the International Labour Organization (ILO) and the UN Global Compact. It includes the prohibition of forced labor and exploitative child labor, as well as fair treatment of employees. fair treatment of employees. In the event of intentional gross disregard of the values described in the REWE Group reserves the right to impose sanctions in the event of intentional gross disregard of the values described in the guideline.

Position  
to  
Due Diligence Act

Human rights must not be negotiable. REWE Group is convinced that a binding framework is needed to create fair conditions along fair conditions along global supply chains. For this reason REWE Group is in favor of binding supply chain regulations at an international international level, in order to effectively strengthen due diligence along global value chains effectively. An international solution that bindingly involves all actors can create an effective level-playing field. field. The goal must be to invest in the greatest possible impact for the improvement of human rights and not to invest in an excessive administrative overhead. In November 2020 with concrete demands, but also solution-oriented ideas on a possible ideas on possible regulation.

In its Declaration of Principles Human Rights, REWE Group commits itself to strengthen Human Rights and to prevent human rights violations. This commitment applies both to the Group's own business activities and to its global supply and value chains. value chains. Due to the special characteristics of the tourism industry, DER Touristik Group issued its own supplementary policy statement in 2019 to Respect the human rights and implemented a Supplier Code of Conduct. Corporate policies and processes will be adapted with regard to human rights due diligence and the measures due diligence and the measures formulated are being successively implemented.

A four-stage process forms the core of the development of fairer supply chains at REWE Group. This process serves to systematically identify, minimize and mitigate any potential adverse effects of the company's human rights are systematically identified, minimized and prevented:

Step 1: Impacts are identified with detailed risk and hot-spot analyses. Since 2016, REWE Group has significantly expanded and systematized its approach to identifying risks. expanded and systematized. For more information, see section Product-related Risk Analyses.

Step 2: Based on the insights gained in the first step, focus raw materials and thematic are derived. Three focus topics have emerged that run through a large number of the focus raw materials and countries. focus raw materials and countries. These are child and Forced Labor living wages

wages  
and  
income and the topic of women  
in  
the  
supply chain.

Step 3: The focus raw materials and issues are addressed with appropriate measures, to counteract negative effects. These measures are implemented through a management approach on three different levels:

1.  
Internal  
cooperation:  
For example,  
through  
Training  
of  
buyers:inside

2.  
Cooperation  
in  
the  
supply chain:  
For example,  
through  
requirements  
to  
suppliers  
or  
the  
Purchasing  
certified  
raw materials

3.  
Cooperation  
with  
stakeholders:  
For example,  
through  
the  
further development  
of  
standard organizations

Depending on which risks are identified, different measures are defined, for example, a call for standards and certifications, cooperation with standard standard organizations, joining industry initiatives, and projects with local suppliers and producers. producers on site.

Step 4: The activities carried out are monitored and evaluated. The findings from The findings from monitoring are incorporated into the further development of the measures.

In order to make progress in the area of action People measurable, the following Key performance indicators (KPIs) have been defined for the private labels (for more information, see the overarching management approach Green products):

KPI  
Target  
Status

Share of strategically relevant  
100 % by the end of 2030

Production sites included in a  
training program (capacity building)  
integrated

Introduction of a  
End 2025

Grievance mechanism system in  
relevant supply chains

In progress  
Target achieved

Target not achieved

Through the REWE Group purchasing companies on site, requirements and problems can be discussed directly with suppliers or production sites and measures can be implemented. In the Asian region, for example, the Sourcing and (RFE) is responsible for part of the procurement of food and non-food products in the and non-food products and plays an important role in improving working conditions in the supply chain. For this purpose, the Corporate Responsibility Department department is in direct contact with suppliers and oversees the social compliance process on site. on site.

The complexity of the value chain with a multitude of travel countries and service providers also poses major challenges for the travel industry. As part of its human rights due diligence, DER Touristik Group  
As part of its human rights due diligence, the DER Touristik Group conducted a risk analysis in 2018 to identify actual and potential negative impacts of its business activities on human rights. on human rights (for more information, see section Product-related Risk Analyses). The human rights due diligence process is seen by DER Touristik regards the human rights due diligence process as an ongoing task.

Grievance mechanisms

The REWE Group has developed a strategy for the further development and implementation of grievance mechanisms in its supply chains. In the promotion of mechanisms, it focuses on the areas of production of its focus raw materials and on the focus raw materials and on processing in high-risk countries. The company is already implementing measures in this area: For example, internal grievance mechanisms in the supply chain are reviewed by calling for appropriate audits. In addition, strategic production sites take part in an intensive training program. If during the preliminary discussions with the production sites that functioning complaint mechanisms are lacking, the corresponding content is taught in the training sessions. The development of back-up complaint mechanisms in the supply chain is also an important aspect for REWE Group is also an important aspect. These come into play when local mechanisms do not work or are not available. For example, REWE Group is involved in the project group of amfori project group to develop a supply chain grievance mechanism. A pilot is planned in Vietnam in 2021. For this purpose, an evaluation was carried out beforehand to determine which channels are best suited and which needs have to be taken into account. As part of a public consultation process, all interested stakeholders will have the opportunity to provide feedback, to provide feedback. The findings will be incorporated into the revision process.

REWE Group has established an internal process for dealing with complaints about human rights violations in the supply chain. With this defined process, the retail company ensures that, once a complaint is received, indications of grievances are consistently followed up and remedial measures are implemented.

## Dealing with Complaints

### 1. receipt and examination of the complaint

After receipt of the complaint, it is documented and checked for admissibility. Relevant contact persons within REWE Group are informed.

### 2. investigation of the situation and identification of possible measures

The complaint is then investigated - for example, through discussions with suppliers, or NGOs, by on-site visits or in the form of interviews with the persons affected. Effective measures are identified on the basis of the results.

### 3. implementation and monitoring of the remedial measures.

The affected supplier or production facility must implement the defined measures, for example the cessation of the criticized behavior, preventive measures through training or the redress of the affected parties, shall be implemented. REWE Group consistently monitors the implementation of the measures consistently - if they are not implemented, the supplier may ultimately be excluded from future orders.

### 4 Conclusion of the complaint and evaluation

If countermeasures have been successfully implemented, the complaint is closed.

Guideline defines the Framework for action

In its guideline published in 2019

for

Fairness, REWE Group is committed

Group is committed to strengthening human rights within the supply chains of all private label products of REWE, PENNY and toom Baumarkt to strengthen human rights, improve working conditions and promote fair trade. The

guideline defines a binding framework for business relations with

business relationships with contractual partners and sets out requirements and

targets. It is regularly updated on the basis of current developments.

In addition, REWE Group has issued a guideline on the

for

prevention

of

child labor, a guideline

for

Living Wages

Wages

and

Income

and a guideline

for

Women

in

the

supply chain to specify the requirements and

and measures of the focal topics (for more information, see the

information, see the section on child and

Forced Labor

section

Living Wage

Wages

and

Income

and section Women

in

the

Supply Chain

GRI

414-2:

Negative

social

Impacts

in

the

supply chain

and

measures taken

measures taken

REWE Group implements concrete measures to reduce negative social impacts in the within the framework of the following three approaches:

1. internal cooperation

REWE Group is working on further integrating sustainable procurement into its purchasing processes

in order to consider sustainability aspects in every purchasing decision. By providing risk analyses and briefings, agreeing binding targets with the purchasing departments, as well as training on sustainability topics, REWE Group contributes to raising internal awareness. In the 2020 reporting year, for example, 35 REWE Group employees were trained on the topic of social compliance for fruit and vegetables. The training courses will be continued in 2021.

REWE Group employees receive regular training on relevant labor and social standard social standard topics, so that the defined standards - such as the demand for social social audits - are taken into account in the selection of suppliers and in the purchasing process. are taken into account. Internal reporting enables continuous further development within the field of action "People". External communication creates transparency vis-à-vis stakeholders.

## 2 Cooperation in the supply chain

The sustainability risks that arise in the supply chain with regard to the area of human REWE Group specifically addresses sustainability risks in the supply chain through systematic supply chain management, which is characterized by close cooperation with suppliers and commitment at the level of the production production sites and raw material production. Through supply chain management REWE Group initially increases transparency along the supply chain for private label products, where this is not yet the case. supply chain for private label products. In this way, risks can be identified and then better avoided or addressed directly. In addition, the integration of sustainability as part of the supplier evaluation process.

In supply chain management, REWE Group follows a three-stage approach in the area of human resources. approach, which includes the formulation of requirements, the control and the development of the suppliers and supply chains:

All business partners in REWE Group's private label supply chains are required to designate the Designate production sites where products are manufactured for REWE Group. Through awareness-raising and the obligations of the contractual partners, concrete rules are are created to implement sustainability throughout the supply chain. The requirements are reviewed by the REWE Group sustainability department in the purchasing process.

REWE Group's business partners are obliged to comply with minimum requirements such as internationally and national laws as well as the core labor standards of the International Labour Labor Organization (ILO). This is accompanied by the obligation to comply in particular with adhere to the following principles:

- 

All forms of discrimination are prohibited. Business partners undertake, not to discriminate against or give preferential treatment to persons on the basis of their gender or for any other reason.

-



All companies in the supply chain must pay their employees at least the nationally applicable minimum wages on a regular basis (at least monthly).

- 

Business partners must ensure that working hours comply with the nationally applicable legal or legal or customary working hours.

- 

Business partners comply with occupational health and safety regulations in accordance with national law and international standards.

- 

All business partners enable employees to exercise their right to freedom of association and collective agreements. and collective agreements.

- 

Business partners shall ensure that no children are employed in their operations.

- 

Business partners shall ensure fair and respectful treatment of employees. ensure.

- 

All forms of forced or compulsory labor or human trafficking must be excluded by business be excluded by the business partners.

At supplier events and in individual discussions with suppliers, the REWE Group repeatedly raises awareness of the issues of human rights and working conditions. This also includes Social Improvement Coaching, which was carried out in 2020:

## Social Improvement Coaching for Suppliers

In 2020, REWE Group implemented a social improvement coaching for strategically relevant suppliers with production sites in high-risk countries. carried out. In this way, the company aims to support suppliers, production sites in implementing social standards more effectively. social standards. After a self-assessment, a series of virtual workshops was held. was conducted. The focus was on developing a plan of action to improvement of social standards. In the subsequent coaching, the suppliers were able to obtain support from a REWE Group partner in the implementation of the action plan. With the social improvement coaching, the suppliers learn new tools, in order to be able to tackle problems systematically in the future. In this way, the social standards and working conditions at the production sites can be continuously improved. The coaching also strengthens communication between suppliers and production sites.

## Raw materials at Focus

On the basis of the product-related analyses, the following critical raw materials were defined

in connection with the field of action "People" were defined: Coffee, cocoa, tea, palm oil,

orange juice, fish, fruit and vegetables in general, with a particular focus on bananas and pineapples, as well as cotton, textiles and natural stones.

as well as cotton, textiles and natural stones.

For some focus raw materials, REWE Group has developed guidelines with detailed requirements and targets defined. For further information, see sections Focus raw materials -Food and Focus Raw Materials Non-Food.

## Processing in

risk countries:  
the  
Social Improvement Program

All production sites in the first supply chain stage from defined risk countries are integrated into the REWE Group's Social Improvement Program, which follows the three-stage approach of requirements Requirements, Control and Development. In the case of the risk countries, REWE Group is guided by the amfori assessment. This is based on the World Bank's Governance Indicators and other indices and is updated annually.

If a social audit is not yet in place, new suppliers and production sites are assessed as part of an onboarding process.  
onboarding (1), new suppliers and production sites are informed about REWE Group's requirements and supported in the  
and supported in the preparation of the first audit. In the second step, all production sites in countries will be obliged to present audits (2) of recognized certifications or verification systems. to be presented. These audits will be conducted - both announced and unannounced - by independent third parties. Recognized social audits include audits in accordance with the amfori BSCI standard or the SA8000 standard, as well as SMETA audits by the Supplier Ethical Data Exchange.  
Data Exchange. Textile production sites in Bangladesh are also required to undergo an audit of building building safety and fire protection as part of the Bangladesh Accord on Fire and Building Safety. Safety".

In order to continuously improve labor and social standards, REWE Group documents the audit results. If the requirements are not met, improvement measures (remediation) are taken together with the suppliers.  
improvement measures (Remediation (3)) are defined together with the suppliers and the production sites are  
to participate in amfori BSCI education and training (4). If  
production sites are not prepared to implement improvements, REWE Group reserves the right to REWE Group reserves the right to terminate the business relationship.

2018  
2019  
2020

Proportion of production sites in the stages of the Social Improvement Program1

Onboarding stage  
1 %  
0 %  
0,3 %

Audit stage  
99 %  
100 %  
99,7 %  
Percentage of production sites according to their audit results  
SA8000  
3 %  
4 %

3,5 %  
Naturland  
0 %  
0 %  
0,2 %  
amfori BSCI A  
3 %  
5 %  
4,4 %  
amfori BSCI B  
5 %  
8 %  
6,6 %  
amfori BSCI C  
71 %  
67 %  
68,5 %  
amfori BSCI D  
6 %  
2 %  
0,9 %  
amfori BSCI E  
0 %  
0 %  
0 %

SMETA  
4 %  
6 %  
6,6 %

Expired audit  
6 %  
8 %  
9,4 %

1 Figures in rounded values. The calculation was made on the basis of the number of production sites and covers all production sites of the REWE Group for food and non-food products of the first supply chain level in risk countries.

The risk analyses, factory visits and work with stakeholders show that there is still a lack of knowledge at many knowledge and management experience is still lacking at many points in the supply chain to ensure processes and policies to ensure good working conditions and human rights.

Factory  
Improvement  
Training  
(FIT)

For its strategically important production sites, REWE Group has established a training program ("Factory Improvement Training", FIT) to build up social skills. competencies. It is designed to help them understand the importance of

REWE Group standards for sustainable business practices and to establish systems and ways of working to strengthen sustainable business practices. Specifically, the production sites receive support to measure and improve social working conditions in their factories. measure and improve. In addition, they are to increase their own responsibility to such an extent responsibility to such an extent that they can implement their own programs to social standards. To this end, managers at strategic production sites will be trained in an 18-month modular training program in health and safety, grievance mechanisms, wages and working hours, and ethical recruitment. working hours, and ethical recruitment. Where appropriate, the program includes group training sessions that address common challenges challenges of different production sites are addressed. Prior to this the plants are analyzed with regard to their social standards and individual individual action plans are drawn up based on the results. To document progress progress, key performance indicators are defined and measured on an ongoing basis. surveys are conducted among employees.

REWE Group is pursuing the goal of including 100 per cent of the relevant production sites of its production sites of its strategic suppliers into the FIT program. program. Between 2018 and 2020, 14 plants in China, Thailand, Vietnam and Bangladesh have already completed the training. In addition to improving grievance mechanisms, conducting awareness-raising trainings on the issue of on the issue of modern slavery and addressing various occupational safety topics, the training enabled ten factories to build improved establish improved processes for recording working hours. This also had a positive impact on the correct payment of wages for overtime.

In 2020, twelve more factories, including those in Pakistan, India, and Turkey, among others, started the program. Following the experience of the first run, the the content was expanded - for example, to include topics related to the health of employees as part of Covid-19 and the empowerment of women.

Annual inspections are carried out as part of the Bangladesh Accord on Fire and Building Safety. are carried out. In 2020, an above-average rate of progress was again achieved for the identified progress rate was achieved for the identified deficiencies. REWE Group's active factories for textiles in Bangladesh have corrected 98 percent of all findings from the inspections by the end of 2020. In 2020, the institution "Remediation Sustainability Council" (RSC) officially took over the responsibilities of the agreement. This council works with the Bangladesh government to build on the successes already achieved with regard to occupational safety in Bangladesh. REWE Group supports the handover to the RSC to ensure that previous efforts continue smoothly. In May 2021, the transition phase of the Accord will expire. In the meantime, REWE Group supports the measures taken in the factories and participates in the discussion about the continuation of the efforts to improve occupational safety in Bangladesh.

### 3. cooperation with stakeholders

The challenges of addressing sustainability risks in the production of our own-brand products often lie in global trade structures and are influenced by political and social framework conditions. An important starting point for identifying relevant issues and implementing the sustainability strategy is therefore good cooperation with stakeholders. cooperation with stakeholders. To this end, REWE Group is in continuous exchange with stakeholders and continuous exchange with stakeholders and regularly invites them to dialog events.

## Stakeholder dialogue at strengthening the social standards

In 2020, REWE Group conducted its first digital stakeholder dialog on the topic of fairness. Together with representatives of NGOs and standards, consultants and politicians, the status and further development of the further development of the REWE Group strategy on the topic of fairness. In the course of various workshops, topics such as Living wage, women in the supply chain, grievance mechanisms and purchasing practices.

REWE Group is also involved in the following national and international initiatives, that deal with the topics of human rights and working conditions in their respective contexts:

- 

Member of amfori BSCI: As a member, the company itself and all its suppliers and producers to comply with the amfori BSCI code of conduct. The REWE Group is actively represented in working groups to help shape further development.

- 

Member of the Bangladesh Accord on Fire and Building Safety: The aim of the Accord is to increase safety in the textile industry through independent inspectors, who check building safety, fire protection and building safety, fire protection and electrical safety during factory visits.

- 

Member of the Alliance for Sustainable Textiles: The Alliance is a partnership of different stakeholders to achieve improvements along the global value chain in the textile industry. For 2021, REWE Group will once again develop a roadmap that will pay attention to the alliance's goals.

- 

Member of The Centre for Child Rights and Business: The Centre supports companies to the implementation of child rights policies.

- 

Member of the Competitive Cashew Initiative: the Competitive Cashew Initiative (ComCashew) aims to increase the competitiveness of the cashew value chain in selected African countries.

- 

Consumer Goods Forum Member: The organization aims to help retailers and consumer goods manufacturers to work with other key stakeholders to secure consumer trust and drive positive change under the motto of "Better Lives through Better Business."

- 

Board member of Cotton made in Africa: This initiative was launched with the aim of improving the living conditions of the people in the African cotton growing regions.

- 

Global Organic Textile Standard (GOTS): GOTS is a worldwide, independent standard for Textiles that covers the entire production process. The label ensures that garments or textiles are produced under controlled socially and environmentally compatible conditions. Textiles from REWE and PENNY with the PRO PLANET label are produced according to the criteria of the international Global Organic Textile Standard (GOTS).

- 

Member of the Fruit Juice CSR Platform: The platform drives social and ecological improvements in the fruit juice industry's supply chains. It was set up, to support European fruit juice producers in integrating CSR measures into their strategies and thus make a long-term sustainable contribution along the global fruit juice value chain for all stakeholders.

- 

Founding member of the Partnership for Sustainable Orange Juice (PANAJO): The Partnership promotes social justice and labor rights as well as environmental protection in the orange juice supply chain. In the long term, the aim is to increase the proportion of sustainably produced orange juice in the German and European markets. German and European market share is to be increased.

- 

Founding member of the Forum for Sustainable Cocoa (GISCO): The multi-stakeholder initiative is committed to improving the living conditions of cocoa farmers, protecting natural resources and biodiversity, as well as for the cultivation and marketing of sustainable cocoa.

-

Founding member of the Forum for Sustainable Palm Oil (FONAP).

The aim of this multi-stakeholder initiative is to significantly increase the share of sustainably produced palm oil while at the same time improve existing certifications and standards.

•

Member of the Technical Committee of GLOBALG.A.P. GRASP: GRASP is a module for social risk assessment of

risk assessment of operations certified to the GLOBALG.A.P. standard. The central task of the Technical Committee is to advise the Steering Committee on strategic regarding strategic and technical advancements.

•

Member of the Rainforest Alliance Standards Committee: Rainforest Alliance is a sustainability standard for the production of agricultural commodities and products. The Standards Committee decides on the further development of the content of the standard on the basis of public consultations.

Further development in terms of content.

•

Member of the World Banana Forum: The Forum brings together different stakeholders in the global banana supply chain to achieve sustainable cultivation, compliance with human rights human rights and improve working conditions.

•

Participation in the Sustainable Agricultural Supply Chain Initiative: As part of a working group under the umbrella of the Initiative for Sustainable Agricultural Supply Chains, REWE Group is committed to living wages and incomes in the banana sector.

•

Member of the Roundtable on Sustainable Palm Oil (RSPO):

The non-profit RSPO association works with its members to develop and implement global standards for sustainable palm oil and to implement them. In order to produce certified sustainable palm oil companies must meet a number of environmental and social criteria. The REWE Group has been a member of the RSPO since 2011.

GRI  
412-2:

Trainings  
for  
employees



on  
Human Rights Policy  
and  
-procedures

See Internal  
cooperation.

REWE Group Sustainability Report 2020  
WomeninSupplyChainWomeninSupplyChain

REWE Group sources a wide range of products through supply chains from all over the world. These countries in which the governmental framework for the protection of human rights is inadequate and in which are inadequate and in which applicable labor and social standards are disregarded. Women often operate at the beginning of global supply chains and in many cases are excluded from economic opportunities and benefits of international trade. They are therefore the focus of REWE Group's activities.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of Green products, energy, climate and environment, employees and social commitment. developed. In 2017, the strategy Green Products 2030 was adopted in order to integrate sustainability even more closely into procurement processes. Within the framework of the areas of action - people, animals and the environment - the retail and tourism company is developing and tourism company is developing effective measures in the Green Products pillar to reduce environmental and social impacts. reduced. Within the area of action People, the focus topic Women in Global Supply Chains was supply chains was identified. REWE Group pursues the goal of protecting and promoting women in its supply chains. and promote women in its supply chains.

GRI  
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Social  
Aspects  
in  
the  
Supply chain

Management approach

For all business relationships, the guideline for sustainable of REWE Group applies to all business relationships. It includes, among other things, fair treatment of employees and the prohibition of discrimination. discrimination.

In order to specify its requirements for the advancement and protection of women, the REWE Group issued the guideline for the promotion and protection of women in 2021. Women in the supply chain was published. It contains targets and measures to strengthen women's rights along global value chains and to and to promote their economic independence and participation.

To this end, REWE Group pursues a universal approach. On the one hand, this includes clear guidelines for the protection and promotion of women, which serve as a guide for REWE Group and its business partners in the supply chain. In addition, REWE Group continuously reviews existing measures as part of the approach and adapts them as necessary. adjusted. In addition, new measures and targets are defined where necessary in order to meet the needs of and risks to supply chains that are particularly affected (i.e., those in which there is a high high proportion of women and/or where the challenges are particularly high). challenges are present).

In 2020, REWE Group joined the UN initiative "Women's Empowerment Principles" and is committed to the targeted empowerment of women in the company and in society. society.

## Risk analysis

In 2020, REWE Group conducted a risk analysis to determine the negative human rights impacts that negative human rights impacts to which women are particularly exposed, and in which sectors and countries relevant for REWE Group, the risks for women are particularly high. are particularly high. In doing so, special attention was paid to the risks identified in the Guideline for Fairness Guideline identified in the Guideline for Fairness. Furthermore, where the data situation allowed, the respective share of women in the sectors and countries considered was determined. of women in the sectors and countries considered. As a result, three risk areas were identified: Precarious working conditions and low wages, occupational safety and health risks at work, and lack of participation in economic life - for example, because women are often not involved in decision-making processes or are legally restricted in acquiring property. are legally restricted in acquiring property. Furthermore, it can be noted that women are present in all supply chains and risks exist everywhere - albeit to varying degrees. extent.

## Targets

Based on the findings from the risk analysis and from a fairness dialogue also conducted in 2020 fairness dialogue with stakeholders from civil society, REWE Group has defined three objectives defined to protect and promote women in its supply chains:

Goal 1: Dialogue and communication:

REWE Group seeks and maintains dialogue with standard organizations and other stakeholders to advocate for women's rights and needs. It communicates its communicates its requirements to its stakeholders and trains relevant employees about the specific relevant staff on the specific risks to and needs of women.

Goal 2: Social Capacity Building Program:

REWE Group ensures that training content addresses the specific needs and risks for women in its factories.

women in the factories.

Goal 3: Projects:

REWE Group initiates individual projects that strengthen women's rights and support their economic independence and participation.

economic independence and participation.

Measures and projects

REWE Group increasingly purchases certified raw materials - for example through Fairtrade, Rainforest Alliance / UTZ, Global Organic Textile Standard (GOTS), Cotton made in Africa, the

Roundtable on Sustainable Palm Oil (RSPO), XertifiX and Forest Stewardship Council (FSC®). All production facilities in the first stage of the supply chain from defined risk countries must also undergo a social audit in accordance with the amfori BSCI or SA8000 standards and SMETA audits.

audits. All of these certifications already set requirements for the and the protection of women, which are checked as part of audits.

These include, for example, equal pay for men and women for the same work, the prohibition of discriminatory

the same work, the prohibition of discrimination on the basis of gender, and the provision of appropriate training.

appropriate further training.

In addition, REWE Group implements various measures and projects to promote the economic independence and participation of women. In the following selected examples are presented below.

Gender-specific  
violence  
in  
textile supply chains  
counter

The Alliance for Sustainable Textiles aims to improve social and environmental conditions in textile conditions in global textile production. To address the widespread problem of the widespread problem of gender-based violence against women, alliance members will have to 2021, alliance members will be required to conduct a risk analysis as part of their mandatory reporting. the sector risks of discrimination, sexual harassment and gender-based violence. gender-based violence. As a member of the alliance, REWE Group would like to the identification of appropriate measures (e.g. the Social Capacity Building Program) to actively contribute to the Alliance's goal of countering gender-based violence in its textile supply chains.

Social  
Capacity  
Building  
Program

As part of the Social Capacity Building Program, managers from strategic production production sites are trained in an 18-month modular training program in the areas of health and safety, grievance mechanisms, wages and working hours, and ethical recruitment. ethical recruitment. The training program is conducted in factories for both food and non-food goods. non-food goods. In 2020, it was reviewed to determine whether the specific needs and risks needs and risks for women are sufficiently addressed. In the course of this additional content was included. The focus is on raising the awareness of employees and management to management to prevent and counteract gender-specific discrimination in the workplace. counteract gender discrimination in the workplace.

Improved  
situations  
of  
cocoa farmers  
at  
the  
Côte d'Ivoire

As a founding member of the multi-stakeholder initiative Forum Nachhaltiger Kakao, the REWE Group, together with other companies, supports the PRO

PLANTEURS project, which is being implemented together with the German and Ivorian governments. Ivorian government. Within the next few years, 30,000 cocoa farmers and their producer organizations are to be professionalize their producer organizations in order to increase their incomes and and improve the living conditions of their families. The project in the eastern and and southeastern regions of Côte d'Ivoire is intended to help give women in particular the opportunity to women in particular to optimize their own income in order to create a better nutritional basis for their families. for their families. PRO-PLANTEURS supports the women, for example, in the production, processing and marketing of agricultural products. As part of the project the National Nutrition Program of Côte d'Ivoire, 76 women were trained as agricultural advisors. women were trained as agricultural advisors.

Support  
and  
training  
from  
coffee farmers  
in  
Peru

The Fairtrade coffee cooperative Valle de Incahuasi in Peru produces the REWE Feine Welt coffee, which is Fairtrade and organic certified. The REWE Group has issued a purchase guarantee for the coffee - giving the coffee farmers coffee farmers stability and planning security. The cooperative consists of 488 members, 84 of whom are women. In each community that the cooperative, there is a women's committee that is involved in food security food security, training and income-generating measures specifically for income-generating activities specifically for women - for example for example, by subsidizing the planting of vegetable gardens, supporting small farms small farms or training courses on coffee quality control and basic basic business skills. As part of the long-standing REWE Group offers training courses specifically for women women farmers in order to strengthen the participation of women within the cooperative. ("Women's school of Leadership").

Fairtrade roses:  
LONG-TERM  
Fair Trade commitment

In 2007, REWE Group was the first food retailer in Germany to introduce fair-trade cut roses from East Africa. cut roses from East Africa to REWE and PENNY stores. Most of these roses

PRO PLANET label originate from Kenya. Often, pesticides pollute the health of the mainly female workers and the environment. That is why PRO PLANET roses come exclusively from Fairtrade flower farms. The

Fairtrade seal obliges producers to limit the use of chemicals and to pay workers fairly. and to pay workers fairly.

REWE Group Sustainability Report 2020

Living Wages and IncomesExisting Wages and Incomes

REWE Group procures a large number of products and product components through Supply chains that can extend across several countries. Particularly in the supply chain stages of raw material cultivation and processing in particular. disregard of labor and social standards, such as the receipt of living wages and incomes. wages and incomes. They are therefore the focus of REWE Group's activities.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with four central pillars: Green Products

products, energy, climate and environment, employees and social commitment. developed. In 2017, the strategy

Green

Products

2030 strategy was adopted in order to

integrate sustainability even more closely into procurement processes. Within the framework of the the fields of action of people, animals and the environment, the retail and tourism company is developing and tourism company is developing effective measures in the Green Products pillar to reduce environmental and social impacts.

reduced. Within the People field of action, the focus topic of living wages and incomes has been identified.

wages and incomes was identified. The aim of efforts under this focus topic is to, contribute to an improvement of the wage and income situation in the supplier countries.

A living wage should be sufficient to provide a decent standard of living for a worker and his/her family.

family a decent standard of living - this includes the financing of food, water water, housing, education/schooling, health care, transportation, clothing, and other essential and other essential needs, including a reserve for unexpected events. In

In many countries, the statutory minimum wages are far below the subsistence level. Since many Since many self-employed people, such as small farmers, do not receive a wage, but earn their income by selling their goods or services, it has become income from the sale of their goods or services, the concept of a living wage was introduced.

living wage was introduced. The definition is applied here to the net annual income.

GRI

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Aspects

in

the

Supply chain

## Management approach

REWE Group is committed to ensuring that the products in its assortments are manufactured is carried out with respect for human rights. All business partners of REWE Group are contractually obligated to comply with minimum requirements such as international and national laws and the core laws as well as the core labor standards of the ILO and to commit themselves to the guideline for sustainable sustainable business practices. It includes, among other things, requirements on remuneration and the fair fair treatment of employees. For example, regular (at least monthly) payment of the nationally minimum wages by all companies in the supply chain on a regular basis (at least monthly) are required. In the event of intentional gross disregard of the values described in the guideline, REWE Group REWE Group reserves the right to impose sanctions. REWE Group also emphasizes its responsibility for strengthening human rights and preventing human rights human rights violations in its policy statement Human Rights.

### In its Guideline

for fairness, REWE Group is committed to strengthening human rights and preventing human rights REWE, PENNY and toom Baumarkt to strengthen human rights and improve working conditions. improve working conditions. In addition to child and forced labor and women in the supply chain, living wages and and forced labor as well as women in the supply chain. In its guideline for Living wages Wages and REWE Group raises awareness of the importance of living the importance of living wages and incomes in the supplier countries and shows concrete concrete measures and goals. The guideline defines a binding framework for action for REWE Group and its business relationships with contractual partners.

REWE Group has set itself the goal of promoting the realization of living wage and wages in its global supply chains in the long term as part of its sustainability strategy.

In order to advocate for living wages and incomes along the entire supply chain, REWE Group follows the REWE Group follows the overarching management approach for responsible supply responsible supply chains (see section on Social Standards in the supply chain).

### Training and training programs

Trainings support suppliers and producers in the implementation of the requirements of the

REWE Group and in further continuous improvement. In various projects REWE Group works directly with raw material producers on the challenges. In cooperation with Fairtrade and four Fairtrade smallholder organizations in Brazil. REWE Group is committed to improving the incomes and living and working conditions of small farmers. living and working conditions of small-scale orange producers. In the sense of the principle of "helping people to help themselves", orange farmers learn to operate more efficiently, socially and ecologically. and ecological management.

## Cooperation with stakeholders

REWE Group is in continuous exchange with a large number of stakeholders and is involved in various national and international initiatives, alliances and projects. and is involved in various national and international initiatives, alliances and forums. forums. For example, REWE Group is a member of the Competitive Cashew Initiative, which has the Competitive Cashew Initiative, which aims to increase the competitiveness of the cashew value chain in selected African countries.

Together with other German retailers, the German Federal Ministry for Economic Cooperation Development (BMZ) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), REWE Group is part of the "Competitive Cashew REWE Group is part of the "Working Group of the German Retail Sector on Living Income and Wages". As a first step, the activities of the working group are aimed at to global agricultural supply chains for the members' private label products. A voluntary voluntary commitment on this issue. With REWE Group has committed itself to actively participating in the development and implementation of responsible business practices. responsible business practices in coordination and collaboration with all relevant all relevant actors in its global supply chains. The activities include establishing the topic within the companies and conducting a supplier survey on sustainable business practices. conducting a supplier survey on sustainable sourcing practices and local knowledge of production conditions. knowledge of local production conditions.

In addition, with the Fruit Juice CSR Platform, REWE Group is financing, among other things, the benchmark analysis on living wages in orange cultivation in Brazil. Brazil. As a member of this European initiative, REWE Group has been committed since June 2016, REWE Group has been committed to social and ecological improvements in the supply chains of the fruit juice industry.

## Pilot projects

Through pilot projects in focus supply chains, REWE Group aims to contribute to the implementation of measures and evaluate the resulting successes. Within this framework the retail company has set itself the goal of developing approaches to ensure living wages and living wages and incomes and, if successful, to scale them up. The first pilot projects are already being implemented:

Living wages  
wages  
for  
banana workers  
secure

REWE Group is involved in a number of initiatives to promote living wages in banana cultivation. The aim is to improve the wages and social conditions of the workers on banana plantations. banana plantations. REWE Group is a member of the "Working Group on Distribution of Value" within the Group on Distribution of Value" within the World Banana Forum, which is the the Food and Agriculture Organization of the United Nations. of the United Nations. Numerous activities within the banana supply chain are banana supply chain. Also within the framework of the described above, the German retail sector's working group on wages" described above, banana cultivation is also an important topic. important topic. Close cooperation with the farms and standard organizations enables the development of a tailored strategy for the banana value chain. In the As part of a pilot project in Ecuador focusing on the banana cultivation, the working group has, as a first step, conducted a survey of suppliers on supply chain structures and procurement standards. supply chain structures and sourcing standards. Based on the findings, the The focus of the measures is on strengthening employee representatives, who rights of workers on the plantations, the introduction of effective grievance the introduction of effective grievance mechanisms and ensuring a monitoring system a monitoring system on wage and working conditions. In this way risks can be analyzed and effective measures developed and adapted. These measures are to be implemented in with standard organizations and local civil society organizations, civil society organizations.

Additional  
monetary  
surcharge  
for  
living wage  
income  
at  
cocoa farmers

In cooperation with the German Federal Ministry for Economic Development and the Fairtrade organisation, REWE Group is one of the first food retailers in REWE Group is one of the first grocery retailers in Germany to launch a project for a livelihood-securing income in the cocoa sector. cocoa farmers receive an additional monetary payment in addition to the Fairtrade premiums and minimum prices, cocoa farmers receive an additional monetary premium based on the Fairtrade Fairtrade reference price for living incomes. In the Fairtrade chocolate bars have been sold at REWE and PENNY since mid-2021. sold at REWE and PENNY. The cocoa beans used to make these chocolates are made can be completely physically traced. The chocolate is also to be gradually introduced in REWE Group's international sales lines. chocolate will also be successively introduced in REWE Group's international sales lines.



The safety of the products and the health of its customers are of great importance to REWE Group. REWE Group and play a prominent role in both trading and travel and tourism. both in retailing and in tourism - and both areas have different requirements and challenges. in both areas. In the retail sector, REWE Group is responsible for ensuring the quality and health of its customers. of the customers in this way. In REWE Group's travel and tourism business, the main task is to is to ensure the trust and safety of travelers. This includes comprehensive crisis and security management in both the vacation destination and the home country.

GRI  
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Customer Health  
and  
-safety

Management approach  
at  
Retail

In order to guarantee the quality and safety of its products, REWE Group has implemented a comprehensive core business area of trading, REWE Group has introduced a comprehensive, cross-stage quality management system along the entire value chain. It includes preventive measures, such as systematic issue monitoring, warehouse and market controls, and supplier audits. supplier audits. A system of key performance indicators established in 2010 makes compliance with statutory and our own quality requirements measurable and transparent. and own quality requirements measurable and transparent. The key figures, such as the microbiological analyses or complaint rates, are collected, evaluated and published in the evaluated and published in the management report of REWE Group Quality Management. published.

A particular focus of quality management is on private label products: For all steps along the value chain, the Group defines specific requirements for the product and its producer for all steps along the value chain - from the raw material to the recipe labeling through to packaging. The contents of these so-called specifications form the basis for regular spot checks by independent, accredited testing institutes. testing institutes. The samples are determined on a risk basis according to supplier and product risk. determined. Foodstuffs such as fresh fruit or vegetables are therefore examined more frequently than, for example, salt or sugar. salt or sugar, for example.

For fruit and vegetables, REWE Group has set itself the goal of minimizing pesticide contamination. minimized. To this end, a negative list lists active ingredients that producers are not allowed to use in production. producers are not allowed to use in production. In addition, all fruit and vegetable products are and vegetable products are regularly tested for possible pesticide residues as part of the quality management system.

In addition to the products themselves, other stages of the value chain are included in the testing.

In addition to the products themselves, other stages of the value chain are included in the testing process.

GFSI (Global Food Safety Initiative), such as the IFS Food standard or the standard of the or the British Retail Consortium (BRC) standard. In addition, the REWE Group also conducts additional supplier audits based on a risk analysis. This risk analysis includes an evaluation of various key indicators such as product complaints, customer complaints

customer complaints and the risk classification of the product group. Manufacturers and suppliers who do not meet the quality standards of REWE Group are requested to change this to change this - otherwise there is a threat of delisting.

In addition, there are annual audits of the warehouses by internal auditors and additionally by an independent external inspection body.  
by an independent external inspection body, which covers all storage areas from incoming goods to transport to the stores.  
transport to the stores. In addition, special audits are carried out within the warehouse with a focus on the implementation of quality requirements for fruit and vegetables.  
vegetables.

Regular internal and external controls are also carried out in the food stores of REWE Group. controls take place. The external controls are carried out on the basis of the checklists of QS Qualität und Sicherheit GmbH, Bonn, with a focus on meat and meat products as well as fruit, vegetables and potatoes.  
and potatoes. The products produced in the REWE stores themselves, such as minced meat (in the counter) or fruit and convenience products are subject to monitoring with a focus on microbiology. focus on microbiology; these are examined in independent laboratories.

Covid-19 pandemic:  
Protection  
of  
employees  
and  
customers  
in  
the  
stores

In order to protect employees and customers in the stores, the REWE Group has implemented targeted measures. In some stores, for example, access is restricted access is restricted in some stores where customer traffic makes this necessary. This can be done by means of entrance controls or by limiting the number of shopping carts or of shopping carts or baskets. Customers are informed about the customers are informed of the regulations in force at the store by means of notices or posters. In addition, all stores have a comprehensive HACCP hygiene concept and are cleaned several times a day. Stickers on the floor on the floor inform customers of the minimum distance to be maintained. to be observed. In addition, REWE and PENNY have installed transparent protective transparent protective screens in the checkout areas of all stores as a preventive employees in the checkout area. With the help of signs and the in-store radio in the about the measures to be taken.

Compliance with strict hygiene regulations in accordance with the requirements of the Infection Protection Act is mandatory for all employees.  
In addition, they adhere to the AHA-L rules (keep their distance, observe hygiene, wear a mask in everyday wear a mask in everyday life, ventilate regularly), which are also recommended by the recommended by the employers' liability insurance associations.

GRI  
416-1:

Assessment  
of  
Impact  
of various  
product and  
service categories  
on  
the  
health  
and  
safety

Within the framework of quality management, REWE Group carries out systematic checks for Health and Safety along the entire product life cycle. In 2020, the Group introduced a new IT application for product specifications and for laboratory product specifications as well as for laboratory and findings management. Due to this technical changeover, the number of product examinations commissioned by the company itself fell compared to the previous year.

Examinations  
at  
health  
and  
safety  
(absolute  
numbers)<sup>1</sup>

2018  
2019  
2020

Supplier audits  
665  
522  
483  
Independent product audits Own brands<sup>2</sup>  
45.282  
32.123  
19.320  
External warehouse audits  
99  
111  
114  
External market audits<sup>3</sup>  
1.494  
3.804  
3.687  
Audits of products manufactured on the market  
12.982  
16.606

17.306  
Products  
Total number of investigations  
60.522  
53.166  
40.910

1

All figures refer to REWE Group in Germany. Added to this is the evaluation of the results of external inspection bodies (IFS, QS GmbH, etc.).

2

In 2020, REWE Group introduced a new IT application for product specifications as well as for laboratory and findings management. Due to this technical changeover, the number of product tests commissioned by REWE Group itself decreased in compared to the previous year.

3

In 2020, external audits in the stores were included and subsequently corrected for 2019. They are based on internal checklists, but are carried out by external experts.

GRI  
416-2:

Violations  
in the  
connection  
with  
the  
Impact  
of  
products  
and  
services  
on  
the  
health  
and  
safety

In 2020, there were eight public recalls of private label products in Germany and three in Austria. Foreign bodies were the cause of five of the public recalls in Germany and all of the recalls in Austria were caused by foreign objects. Two additional recalls in Germany were because the wrong contents were filled, meaning that the allergens contained in the product were not fully fully labeled. Another recall was issued by toom Baumarkt. The reason was the reason was the suspicion of a material defect because a limit value was not complied with. After the public recalls, the suppliers concerned were audited by external experts on behalf of the audited by external experts on behalf of Quality Management. The aim of these audits was to check what measures had been measures taken at the plants to avoid such deviations in the future. avoid such deviations in the future.

The public recalls were isolated cases; there was no accumulation of product groups or suppliers. there were no clusters of product groups or suppliers. In all cases, customers were able to return the goods to return the goods in the stores for a refund of the purchase price.

GRI  
416:  
Customer Health  
and  
-safety

Management approach  
in  
the  
Tourism

The Crisis and Security Management department at DER Touristik is responsible for the safety of travelers in emergency situations. Security Management is responsible for the safety of travelers in emergency situations. In the event of acute crises, such as natural disasters, accidents or terrorist attacks, so-called help teams provide support. These employees trained for crisis situations, take care of the security and care of travelers in the respective and care for the safety of passengers and employees in the respective area of operation. They support the on the ground and act as a link to crisis and security management in Germany. Germany. The entire crisis management process is coordinated from the crisis management center. and, if necessary, transport to hospitals, alternative hotels or trips home are organized. In order to quickly to the scene of the emergency, the help teams are stationed at various locations. locations.

Crisis and security management is located at DER Touristik's headquarters in Frankfurt. As part of crisis prevention, employees there monitor current developments in the travel regions around the developments in the travel regions around the clock. If one of the early warning systems sounds the alarm, measures can be taken to manage the crisis in the shortest possible time. These include crisis hotlines for direct contact with those affected, as well as close cooperation with destination agencies with destination agencies, authorities, airlines and airports. It is also important to ensure an up-to-date and and qualified information flow for the actors involved and the general public. general public.

Crisis management  
in  
the  
Corona pandemic

The Corona pandemic presented DER Touristik with new, unpredictable challenges. Since mid-March 2020, the company has been since the middle of March 2020 to reassure its package tour guests who were stuck at their who were stranded at their vacation destinations due to the Corona pandemic. back home. In this way, more than 44,000

travelers of the tour operators DERTOUR, ITS, Jahn Reisen, Meier's Weltreisen, ADAC Reisen and Travelix were brought home safely. In the same concepts were developed to restart tourism after the lockdown. after the lockdown. In doing so, DER Touristik drew on its proven security and crisis management and numerous preventive measures. measures. Individual restart concepts were developed for each destination and, in this context hygiene concepts for hotels and partners were developed for each destination. Special testing strategies and offers - for example PCR tests for at-home PCR tests at home and rapid tests in the destinations - rounded off the comprehensive package of preventive measures. Developments in the individual vacation destinations continue to be very dynamic. dynamic. Regulatory requirements in Germany and in the countries of origin and destination are countries of origin and destination. This requires continuous of the existing concepts and communication. DER Touristik Touristik keeps a close eye on the situation in order to be able to react quickly.

Another important element of crisis management is the ongoing training of relevant personnel. training of relevant personnel. In addition to the training of help team members: In addition to training for help team staff, this also includes training for travel agency employees. In the year In 2020, training modules were developed for the restart of the Corona pandemic. and several 1,000 employees in travel agencies were trained. For each travel country, the crisis management has developed its own Restart concept with a Covid 19 accreditation body. designed. In 2020, Crisis Management recorded 153 major loss events with extensive and complex recall or evacuation measures due to travel warnings or virus mutant areas, as well as a total of 190 smaller crisis handling events. In addition, the very complex global dynamic pandemic planning and the establishment of global testing test centers.

## REWE Group Sustainability Report 2020

### PromoteSustainableConsumptionPromoteSustainableConsumption

Promoting the consumption of sustainable products and services is an important element of REWE Group's sustainability strategy. element of the REWE Group sustainability strategy. For sustainable product ranges to be successful the social or ecological added value must be understandable and credible for customers. credible for customers. It should be noted that other criteria such as price, quality, quality, packaging and freshness also play a role in the purchasing decision. Retailers have an important has an important mediating function. Without sufficient demand and price willingness on the part of customers, responsible suppliers will quickly find themselves in an economic predicament. and without a wide range of sustainable products, no consumer can act ethically. act ethically. REWE Group has therefore set itself the task of bringing sustainability from the niche to the mass market. from the niche to the mass market.

GRI  
417:  
Marketing  
and  
Labeling

## Management Approach

Within the framework of its sustainability communication, REWE Group implements various

measures to enable informed purchasing decisions and to inspire consumers for more sustainable products and services.

for more sustainable products and services. Credibility, transparency and a target group-specific approach are important principles of communication.

Measures  
for  
strengthening  
of the  
sustainability awareness

Within the framework of campaigns, activities and communication measures during the year, the sales REWE Group sales lines address their customers on sustainable consumption in the context of an overriding social theme

social topic, such as conscious nutrition, organic products, regionality or social commitment. products, regionality or social commitment. In this way, REWE Group creates awareness for sustainability in purchasing decisions and sensitizes its customers to responsible consumption. responsible consumption.

As in previous years, PENNY held three sustainability weeks in 2020 to promote more sustainable industrial products.

promoting more sustainable industrial products. In addition, PENNY drew attention to relevant campaigns throughout the year to highlight relevant topics such as organic products, food waste, biodiversity waste, biodiversity or packaging.

REWE Group in Austria has also organized sustainability weeks once a year since 2010.

The focus is on products that offer sustainable added value in terms of healthy nutrition, climate and environmental protection.

healthy nutrition, climate and environmental protection, biodiversity or social commitment. offer.

The REWE sales division communicates sustainability issues several times during the year within the scope of

sustainability campaigns and via its website. The topics also play a role in the REWE umbrella brand campaigns.

REWE  
and  
PENNY  
make  
on  
the  
insect mortality  
attention

In 2020, the issue of insect mortality was once again a focal point of our customer communication. For example, PENNY held a campaign week to protect bees and bees and to promote biodiversity in apple cultivation. The focus was the apple juice "For the love of bees," which bears the PRO PLANET label "For more biodiversity. more biodiversity".

Since 2019, REWE has been receiving prominent support for its communicative activities for insect protection: Maya the Bee and her friends are

ambassadors for REWE's commitment to biodiversity.  
and also promoted insect protection in the reporting year.

Since 2020, PENNY has bundled all information and news on sustainability online under the motto "Our Green Way". With the opening of the first sustainability PENNY Grüner Weg" (PENNY Green Way), the sales division aims to make its customers more aware of the importance of sustainability.

the importance of sustainability. 20 stations in the store illustrate the most important sustainability topics for customers to see and experience - from the advantages of the Naturgut organic heroes, initiatives to reduce packaging, and tips on how to create a bee-friendly environment. environment can be created. One station also shows the "true costs": They show what selected products really cost when certain ecological factors are taken into account. factors really cost. To this end, scientists at the University of Augsburg have calculated the true the impact of nitrogen, greenhouse gases and energy along the supply chains into the true of eight selected conventional and organic private label products (apple, banana, potato, etc.). products (apple, banana, potato, tomato, mozzarella, gouda, milk and mixed minced meat). minced meat). The exemplary evaluation of the conventionally produced shows that the selling price per kilogram increases by an average of around 62 percent. increase. For products from organic farming, the selling price increases by around 35 percent. Measured against current selling prices, this corresponds to an average price increase of 2.30 euros per kilogram for conventionally produced products and 2.28 euros per kilogram for organically produced products.

Regionality  
and  
organic  
at  
Focus  
at  
REWE

In 2020, REWE also focused on regionality and partnerships with local producers - especially against the especially against the backdrop of the Corona pandemic: under the motto "Gutes. is so close. Fresh from your region", the sales division promoted fresh products from the region. The campaign was disseminated online, via TV commercials and directly in the stores. (for more information on regionality at REWE Group, see the Regionality section). In addition, REWE explains the benefits of organic products for the environment, people and animals on products of the REWE Bio private label. products for the environment, people and animals (for more information, see the Organic section).

GRI  
417-1

Principles  
and  
Procedures  
for  
Product Labelling

The products of REWE Group are labelled within the framework of legal requirements with regard to their their origin, composition and use - one example of this is the



best-before date. REWE Group labels sustainability aspects in its products beyond the products beyond the legal requirements and provides detailed information about the detailed information on the origin of many products.

Sustainability label  
and  
certifications  
create  
transparency  
and  
credibility

With the PRO PLANET label, REWE Group has a systematic approach to displaying sustainability information transparently and comprehensibly on products. REWE, PENNY and toom Baumarkt use the PRO PLANET label to identify private label products, which take social and ecological factors as well as aspects of animal welfare into account. It thus offers and comprehensible orientation when shopping, with the aim of promoting sustainable consumption among a broad group of consumers. On the PRO PLANET website provides further information on the individual products is available (for an overview of the proportions of these products in the range and an explanation of the PRO PLANET process, see section PRO PLANET).

In addition, REWE Group has started to introduce the so-called Nutri-Score labeling in 2020 for the first private label products of REWE and PENNY. The labeling will be successively expanded. Through this conspicuous nutritional labeling REWE Group would like to provide consumers with additional support for a healthy diet. (for more information, see the Nutrition section).

In addition, REWE Group uses recognized external labels for the labeling of its private labels. its private labels and carries branded products with these labels in its assortment. These include such as the Blue Angel, Fairtrade, Forest Stewardship Council (FSC®), Programme for the Endorsement of Forest Certification Schemes (PEFC™), Rainforest Alliance / UTZ, Verband Lebensmittel ohne Gentechnik e.V. (VLOG), Marine Stewardship Council (MSC), Aquaculture Stewardship Council (ASC) and GGN - certified aquaculture (GLOBALG.A.P.). In addition organic and regional products are identified separately. Almost all fresh fish counters at REWE stores have been MSC certified since 2009 and ASC certified since 2012. Thus consumers can make an informed purchase decision despite the variety of labels, REWE and PENNY have provided the most important information on the labels and certifications used on their websites. certifications on their websites (REWE; PENNY).

In the case of non-food goods, REWE Group relies on the TÜV-Exklusiv seal, which stands for the quality and safety of the products. Each certified product bears an individual ID number that can be used to call up which can be used to call up further information.

Together with the Verbraucher Initiative e. V., toom Baumarkt has compiled a guide to sustainability labels. It is intended to provide customers with guidance for more sustainable and explains recommended labels that can be found on products in DIY stores. products in DIY stores. The selection of labels is based on ratings from the consumer portal label-online.de. The guide is available for download online at [toom.de/sustainability](https://toom.de/sustainability).

In order to provide travelers who attach importance to sustainability with a transparent decision-making aid

DER Touristik is working on a strategy for clear labeling of sustainable travel offers.

sustainable travel offers. As part of this, the various labels in catalogs of the tour operators were reduced to the industry-wide and internationally recognized industry-wide and internationally recognized Travelife sustainability label and, in a next step, as part of the project

"Green Travel Transformation" project of the Futouris sustainability initiative.

industry-wide standardized label for sustainable travel offers. This has given rise to the Green Travel Index data provider, which collects data from recognized sustainability

Sustainability certificates and processes it. Since winter 2019, sustainably

certified hotels in the catalogs of DERTOUR, Meier's, ITS and Jahn are marked with a green leaf.

marked. Behind this are other internationally recognized certificates in addition to Travelife.

certificates. They undertake to comply with environmental and social standards in accordance with the requirements of the Global Sustainable Tourism Council (GSTC).

In addition to the catalog, DER Touristik has also implemented a targeted online search for sustainable hotels.

online search for sustainable hotels: Since the beginning of 2020, these hotels have also been available on

the Bistro travel agency booking platform and can be searched for by travel agency members.

and can be included in the consultation by DER Touristik travel agency staff.

in their advisory discussions. In addition, the number of sustainably managed hotels in the portfolio of DER Touristik tour operators is being successively expanded through various measures and the development of sustainable travel products.

Sustainable  
vacation offers

In 2021, DER Touristik published its first catalog in magazine form

entitled "Conscious Travel." This includes hotels with

sustainability certification in Europe and North Africa. At the same time

information about the destinations and the hotels' commitment to sustainability.

sustainable commitment of the hotels.

Guests can also voluntarily offset the CO2 emissions of the entire trip.

voluntarily. The amount was calculated for each travel offer in the Magalog

and is displayed under the respective offer.

With  
origin information  
for  
larger  
supply chain transparency

Many consumers want to know where the products they buy come from.

they buy. REWE Group meets this demand, for example, by labeling the origin of its regional products.

the origin of its regional products and by having the details of many products certified in accordance with the criteria of the

of the Regional Window (see section on regionality).

In 2012, REWE Group introduced a tracking code for fish products under its own brand.

private label products. Customers can use this code to register on the websites of the REWE and PENNY sales lines about the supply chain of the fish product. The aquaculture products can also be traced back online to the farm region. In total, 60 percent of fish products are equipped with the tracking code. And also for REWE's own-brand bananas, REWE Beste Wahl pineapples and Fairtrade Biohelden pineapples. Fairtrade BioHelden bananas and pineapples from PENNY, customers can track the products all the way to the products back to the producer using a QR code.

Since 2014, PENNY's and REWE's own-brand products have been labelled with the producer's name. as the distributor on their own-brand products. For customers, this means greater transparency in the supply chain. Only in a few exceptions is REWE Group still named as the distributor, for example for products of the Feine Welt brand that come from small suppliers, for example.

GRI  
417-3

Violations  
in the  
connection  
with  
Marketing  
and  
Communication

In designing advertising, REWE Group generally complies with legislation as well as ethical and cultural as well as ethical and cultural standards. It expressly refrains from sexist, discriminatory discriminatory, political, pornographic, extremist and violence-glorifying advertising. Truth, clarity and transparency are the fundamental principles here. In addition the codes of conduct developed by REWE Group and applicable throughout the company apply, guidelines and directives developed by REWE Group and the regulations of the national advertising councils. The communication of Sustainability requires a special degree of credibility. REWE Group commits itself in its guideline for Sustainable management, REWE Group explicitly commits to complying with consumer protection regulations as well as appropriate sales, marketing and information information practices vis-à-vis consumers. In order to take this into account in the design of

advertising measures, these are approved by the sustainability department prior to publication. Sustainability department prior to publication.

There were no known material violations in the 2020 reporting period.

REWE Group Sustainability Report 2020  
Animal welfareAnimal welfare

Both in food retailing and in tourism, the keeping and use of

animals plays a significant role. Animal products such as meat or eggs are an integral part of today's eating habits - livestock farming is thus an essential branch of agricultural production. In many vacation destinations, interaction with animals is also part of the local entertainment offer. animals is part of the local entertainment offer. However, they often suffer from poor living conditions or inappropriate handling. For tourists, these effects are not always not always apparent at first glance. The current discussion in on the subject of animal welfare shows that consumers and vacationers are increasingly animals is becoming more and more important - the stakeholders of REWE Group also rate the topic also rate the topic as particularly relevant for the company. For them, the focus is on a animal products with very good animal husbandry (for more information, see section Materiality analysis section).

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and the environment. products, energy, climate and environment, employees and social commitment. developed. For this purpose, the strategy Green Products 2030 strategy was adopted to integrate sustainability even more strongly into procurement processes. Within the framework of the fields of action the retail and tourism company is developing effective measures in the Green Products pillar in order to measures in the Green Products pillar to reduce environmental and social impacts. reduced. With regard to the field of action Animal, REWE Group is pursuing the goal of integrating animal welfare in its supply chains and at the vacation destinations of DER Touristik.

GRI  
FP10:  
Physical  
Change  
at  
Animals

## Management Approach

In its guideline for Sustainable REWE Group is committed to maintaining and improving animal welfare improvement of animal welfare standards and to the expansion of animal welfare in animal husbandry. To fulfill this commitment, in 2019 REWE Group published the Guideline for Animal Welfare. It replaces the Guiding Principles for Farm Animal Husbandry of the Future from 2015, documents REWE Group's stance on the topic of animal welfare and defines targets and measures for individual farm animal species. In this way, the guiding principle shows the various requirements that a agriculture must reconcile. In addition to animal welfare, these also include environmental and climate protection, resource efficiency, food safety and economic viability. It is a binding framework for action for business partners and stakeholders of the REWE Group's business partners and stakeholders and defines the company's demands for more sustainable production of goods of animal origin. In 2016, REWE Group in Austria published its own guideline. Animal Welfare, which presents the key measures and fields of action for Austria. outlines.

In 2020, REWE Group began to revise and realign its strategy for the area of animal and realigning it. In this way, the company is pursuing the goal of anchoring more animal welfare in the supply chains. In doing so, REWE Group was guided by a four-stage process. This serves to identify the significant impacts on animal welfare and to implement suitable measures for improvement in the product supply chains:

Step 1: Impacts are identified with detailed analyses. For this purpose In 2020, REWE Group analyzed hot spots for the area of animal action, took a closer look at the product range and private private labels in more detail and identified the topics relevant to stakeholders.

Step 2: Based on the insights gained in the first step, focal points are identified in a workshop with the participation of stakeholders. workshop with the participation of stakeholders. For example for example, the focus topic of husbandry conditions was confirmed. Further focus topics are currently being developed.

Step 3: The topics are addressed with appropriate measures to promote animal welfare. promote animal welfare. These measures are implemented through a management approach on three different levels. levels:

1.  
Internal  
collaboration:  
For example,  
through  
Training  
of  
buyers:inside

2.  
Cooperation  
in  
the  
supply chain:  
For example,  
through  
requirements  
to  
suppliers  
or

the  
Implementation  
of  
projects

3.  
Cooperation  
with  
stakeholders:  
For example,  
through  
the  
participation

and  
the  
participation  
in

Industry initiatives

Step 4: The activities carried out are monitored and evaluated. The findings from monitoring are incorporated into the further development of the measures.

## Animal welfare at DER Touristik

In order to meet the demand for animal-friendly offers, a binding animal welfare guideline applies to the entire DER

Touristik Group has a binding animal welfare policy. It includes a comprehensive Group strategy and an action plan with binding measures. By 2022, the Group's entire product portfolio to established animal welfare standards by 2022.

be completed. In this way, DER Touristik pursues the goal of protecting animals from exploitation and neglect.

neglect. Together with experts and industry participants, DER Touristik is

DER Touristik is working to improve standards for the protection of animals in tourism, raise awareness of the issue among local suppliers and support them in their efforts, more animal-friendly facilities. The focus is on animal species that are particularly affected by tourism activities.

affected by tourism activities. To check whether the requirements are being met, selected requirements are met, selected attractions are assessed according to specific criteria, based on the Global Welfare Guidance for Animals in Tourism of the British Travel Association ABTA.

audits. For example, elephant rides and elephant shows have already been completely removed from the from the programs of the organizers of the DER Touristik. In order to support the suppliers in standards for animals, the employees of DER Touristik, in particular those of the worldwide DER Touristik employees, in particular those of the worldwide destination agencies, are also trained in this area.

Projects  
and  
measures  
for  
improvement  
of the  
Animal Welfare

REWE Group implements concrete measures for animal welfare within the framework of three approaches:

### 1. internal cooperation

The goal is to further integrate sustainable procurement into the purchasing processes of REWE Group in order to take sustainability aspects into account in every purchasing decision.

In doing so, the company is laying the groundwork through strategic and organizational projects for concrete activities. For example, REWE Group contributes to this process through the provision of risk analyses and briefings, the coordination of binding goals with the purchasing purchasing departments, as well as training courses on sustainability topics.

Internal reporting enables continuous further development within the individual sustainability topics.

sustainability topics. External communication creates transparency for stakeholders.

## 2 Cooperation in the supply chain

In its cooperation with its suppliers, REWE Group relies on the three levels:

Commitments through concrete requirements, controls through audits and standards, and the Development within the framework of projects.

### Improved husbandry conditions

For years, REWE Group has been committed to improving industry-wide animal welfare standards. This includes transparent and comparable product labeling. REWE and PENNY label their entire fresh meat private label assortment from the self-service areas with the four-stage husbandry system. It gives consumers an overview on the product packaging gives consumers an overview of how the animals from which the meat of the respective the meat of the product in question was raised. The label is currently available for chicken, turkey, pork and beef, turkey, pork and beef - with other species to follow in 2021.

The system consists of the following levels:

Level 1: Indoor husbandry.

This type of husbandry complies with the legal requirements or the QS or a comparable standard. comparable standard.

Stage 2: Housing Plus

The animals are kept with higher animal welfare standards such as at least ten percent more space in the barn and additional occupational material. The criteria for level 2 correspond to the the requirements of the Animal Welfare Initiative.

Level 3: Outdoor climate

This type of housing offers the animals even more space and fresh air contact, among other things.

Level 4: Premium

The animals have even more space and must have mandatory outdoor exercise opportunities. Organic meat is classified in this level.

REWE Group already sells fresh meat from its private labels only from chicken and turkey that are PRO PLANET-certified and at least meet the requirements of level 2. husbandry system.

REWE Group wants to further expand animal welfare in its product ranges by setting ambitious goals for the further expand animal welfare in its product ranges:

Fresh meat at REWE in the assortment at the service counter:

- 

Convert 50 percent of fresh meat to at least husbandry form level 2 by the end of 2021.

Private label fresh meat items (beef, pork and poultry) at REWE and PENNY in Germany in the self-service assortment as well as in the service counter assortment:

-

Convert 100 per cent of private label fresh meat items to at least husbandry system level 2 by the end of 2025

- 

Convert 100 percent of private-label fresh meat items to at least Level 3 and

Level 4 by the end of 2030

Poultry meat products at REWE and PENNY in Germany in the self-service assortment  
As well as in the service counter assortment:

- 

Double the proportion of poultry meat products with level 3 and level 4 husbandry systems by the end of 2023

- 

At least 20 percent of the poultry meat assortment in the husbandry form level 3 and 4 by the end of 2026

Sausage range\* at REWE and PENNY (beef, pork and poultry) in Germany in the Self-service assortment:

- 

Convert 50 percent of the sausage assortment to husbandry form level 2 by the end of 2025.

\* Including processed meat products (frozen, canned and convenience with a meat content of >50 percent).

Better standards at "Fair to the Animal".

Under the "Fair zum Tier" label, REWE Group in Austria offers meat and dairy products dairy products and eggs that come from conventional animal husbandry. The higher animal welfare standards apply to husbandry, transport and slaughtering and are significantly higher than the



legal requirements. In pig rearing, for example, converted or newly or newly built barns are used, as the guidelines stipulate a ban on fully slatted floors, more space and access to the outdoors. In addition, interventions on the piglet, such as castration or tail docking, may not be performed without prior analgesia, anesthesia, and pain relief. Pain post-treatment are carried out. All animals under "Fair to the animal" are fed with GMO-free feed, most of which comes from Austria. Compliance with standards is checked annually.

No  
anesthetic-free  
piglet castration

When male pigs are not castrated, a strong odor can develop as they reach sexual maturity. odor can develop, which is also transferred to the meat. Therefore, male piglets are castrated about

seven days after birth - in the past, this was usually done without anesthesia. anesthesia. Since the beginning of 2021, anesthetic-free piglet castration has been prohibited by law. The REWE Group is in favor of this ban and has already been able to implement the requirements at the majority of its majority of its suppliers in advance by switching to alternative methods. In this context, REWE Group also explicitly accepts meat from vaccinated animals. animals. By the end of 2019, projects for vaccination against E. coli have been implemented together with farmers, slaughter and processing companies. processing companies to implement projects for vaccination against boar taint. The vaccination prevents male piglets from developing a hormone from sexual maturity that can give meat an unpleasant odor. unpleasant odor to the meat.

Promotion  
of an  
alternative  
turkey breed

Fattening poultry according to organic guidelines brings special challenges. For example breeds of turkey are only suitable for organic poultry fattening to a limited extent, as their health problems can occur due to their rapid growth, and the turkeys are not suitable turkeys are not suitable for their own offspring. REWE Bio therefore supports the Biofino GmbH on a trend-setting path in breeding. By crossing English turkeys of the Auburn breed and a conventional hybrid breed, a new breed was bred that is characterized by its breed was bred, which is characterized by special robustness and vitality and is very well suited for rearing in suitable for rearing in free-range systems and feeding with organic feed. During rearing, each animal has twelve square meters of outdoor space in the barn, in the open air, and in the covered outdoor area. A longer period of growth is deliberately accepted. accepted. In 2020, 50 percent of the organic fresh turkey meat from the private labels of of REWE and PENNY came from Biofino GmbH and thus from these turkeys. The REWE Group is pursuing the goal of completely converting the organic fresh turkey meat of the REWE Bio private label brands to the new turkey breed. turkey breed.

Marketing  
from

pasture milk  
for  
more  
animal welfare  
in  
the  
Dairy cow husbandry

Pasture grazing is the husbandry system that comes closest to the natural way of life of cows  
cows' natural way of life - in terms of feed intake as well as locomotion and  
social behavior. In pasture management, the animals are kept on pasture for at least 120 days a year for  
at least six hours.  
for at least six hours a year. REWE Group has set itself the goal of achieving, by the end of  
2020, REWE Group aims to offer 100 percent of all dairy products made from pasture-raised milk certified  
by a  
standard for pasture farming. This goal was achieved in the reporting year.  
Likewise, REWE and PENNY were able to achieve the goal of having 100 percent of their pasture milk  
certified with the  
animal welfare label "Für Mehr Tierschutz" ("For More Animal Welfare") of the German Animal Welfare  
Association.  
This goes hand in hand with high demands on the conditions under which the animals are kept, such as  
generous

space, GMO-free feeding and strewn lying areas. Also  
fresh milk is also offered with this label. In addition, REWE sells six different  
REWE also sells six different cheese products made from milk from pasture-raised animals, and the  
pasture-raised butter bears the "PRO  
WEIDELAND - German Pasture Charter" seal.

Early  
Feeding:  
more  
Animal Welfare  
at  
fresh  
hatched  
broiler chicks

In classic incubators, individual animals are left unsupplied for up to 36 hours - with the result,  
that the early-hatched chicks lose up to ten percent of their hatching weight due to dehydration and  
and lose vitality and robustness. One solution is innovative early-feeding  
systems with which REWE Group is the first food retailer in Germany to address the issue of  
animal welfare after hatching. There are currently two different systems: the  
HatchCare process and the "hatch-in-the-house" systems. Both procedures ensure that  
animals are provided with the basic necessities of life immediately after hatching.  
of life.

In the HatchCare process, as soon as the chick is hatched, it slides in with the other animals in  
a separate basket in the incubator. In the two-tier incubator baskets - so-called hordes  
with a maximum of 90 eggs each - the newly hatched chicks automatically slide to the lower level.  
floor. There, they have sufficient light, air and space to move freely without disturbing eggshells.  
and to take in drinking water and feed immediately after hatching.  
In addition, the incubators are illuminated and thus provide hatching conditions with more  
animal welfare. Since spring 2017, the first chicks have been hatching in the hatcheries using the new  
process.

In the so-called "hatch-in-house" systems, the chicks hatch directly in the fattening house. This eliminates the need for the chicks to hatch in the hatchery and the transport, which often takes several hours. The chicks also have direct access to feed and water in the barn.

Both methods achieve positive results: Through early feeding and drinking water supply, optimal climate control and sufficient space and light prevent developmental disorders are prevented. All chicks get a more consistent and vital start into their lives. Chick mortality can also be significantly reduced in this way.

Waiver  
on  
eggs  
from  
cage rearing

The conditions under which laying hens are kept in cages are not acceptable to REWE Group. acceptable. Since 2010, REWE Group in Germany has only marketed private label eggs from barn and free-range hens.

eggs from floor and free-range systems that meet the requirements of the Verein für kontrollierte alternative animal husbandry e.V. (KAT). This was followed in 2012 by the decision to

the use of caged eggs and eggs from small groups in processed products in Germany. small-group husbandry. By 2025 at the latest, all foreign subsidiaries trade with caged eggs in all foreign companies by 2025 at the latest.

Waiver  
on  
beak trimming

In conventional animal husbandry, it was the rule until the beginning of 2017 that the beaks of the beaks of laying hens were shortened to reduce the risk of injury from mutual pecking. reduced. REWE Group was the first retail company in Germany to switch to 100 percent eggs without beak trimming of the laying hens. Since September 2017, it has been selling eggs in all REWE and PENNY stores no conventional private-label eggs from laying hens with shortened beaks. with shortened beaks. Organic eggs are not affected by this measure, as for organic certification, the integrity of the beaks is already mandatory.

Species-appropriate  
husbandry  
from  
quails:  
"free  
to  
fly"

In Germany, there are no minimum requirements for the husbandry conditions of quails for egg production. The sales lines REWE and PENNY use for their own brands exclusively use quail eggs from the "free to fly" farming method. In this type of farming, the quails enjoy the quails enjoy a run similar to their natural habitat, they can peck, scratch, sandbathe pecking, scratching, sand bathing and flying freely. The feed is GMO-free. In addition, this standard does not use beak treatments, unnecessary live animal transports of more than 50 kilometers

and raises day-old male chicks.

## Housing requirements for Buffalo Implemented

To produce mozzarella from buffalo milk, a cow must give birth to one calf per year. give birth. About half of these calves are male. Because they do not give milk and their meat is unpopular with consumers, there is little interest in raising them and the animals are not provided with sufficient food and space.

Animal welfare organizations repeatedly draw attention to the resulting problems and animal welfare violations. In order to counteract violations, REWE Group specifies sets minimum requirements for suppliers: For example, they are to adhere to the specifications on the animal welfare organization FOUR PAWS and, for example, allow access to mud baths or provide water for the buffalo. mud baths or install water spraying systems.

## Chick-kill-free supply chains

Every year in Germany, millions of male chicks are killed in the breeding of laying hens for egg production.

male chicks are killed on their first day of life. The reason is that they can neither lay eggs suitable for fattening, as they grow more slowly and inefficiently, and produce less breast meat

less breast meat than chickens of fattening breeds. REWE Group has the ambition to end this practice.

With this in mind, REWE Group is pursuing the goal of 100 percent chick-kill-free supply chains for processed private label products by the end of 2022. Before then, the REWE and PENNY sales lines will already switch fresh private label eggs to chick-kill-free supply chains by the end of 2021.

to chick-kill-free supply chains by the end of 2021.

For this purpose, REWE Group has implemented two methods - they concern the rearing of brother cocks, i.e. the rearing of male chicks, and the sexing of the hatching egg. In addition

REWE Group is dealing with the issue of dual-purpose breeds. Here the animals are not not only bred for one performance characteristic, but are also used for egg and meat production, for example. meat production.

## Breeding male chicks

Under the exclusive brand "Spitz & Bube", free-range eggs have been sold since July 2017 sold in all participating REWE stores throughout Germany. In the process, the beaks of the hens are left in their natural shape and their male counterparts are raised until they are raised until they are ready for slaughter. Since 2018, "Spitz & Bube" fresh eggs from barn-raised hens have also been available nationally. And since the end of 2020, the REWE sales line has offered 100 percent of organic eggs with brother cock rearing. This ensures that no more male chicks are killed in a REWE organic egg.

male chick is killed in a REWE organic egg. In addition, the REWE Beste Wahl Chicken Fricassee contains meat from the "Spitz & Bube" project.

At the beginning of 2017, PENNY was the first discounter in Germany to introduce HERZBUBE. fresh eggs from barn hens, where the laying hens are kept with untrimmed beaks and the male chicks are and the male chicks are raised.

Sex determination  
at  
hatching egg

The SELEGGT method eliminates the need to kill male chicks in laying hen breeds. male chicks can be dispensed with. With the aid of a new technique, the sex of the chick is determined in the hatching egg. determined in the hatching egg: A laser is used to make a hole no larger than 0.3 millimeters in the shell of the hatching egg. the shell of the hatching egg to extract a drop of allantoic fluid for sexing. for sex determination. The inside of the hatching egg remains completely intact. The liquid is then liquid is analyzed and the hatching eggs can be sorted according to their sex. Only the female hatching eggs are hatched further and later laid as laying hens. laying hens the so-called respeggt eggs "without chick killing". The male hatching eggs are processed into high-quality animal feed.

The basic research for the SELEGGT process was developed by the University of Leipzig. For a practical design, REWE Group together with a Dutch respeggt joint venture with a Dutch technology company. In addition to the the sexing process, it also carries out a supply chain verification and can therefore thus guaranteeing the added value of "no chick-killing" for customers.

Since the beginning of 2020, customers have been able to buy the so-called "respeggt" chicks in all 5,500 REWE and PENNY stores in Germany. PENNY stores in Germany will be able to buy the so-called "respeggt free-range eggs". Since October 2020, additional REWE Beste Wahl egg salad with chives made from respeggt eggs has been available in all available.

Regional programs

With the help of various regional programs throughout Germany, REWE Group aims to promote and preserve regional structures and ensure greater animal welfare through short transport routes and improved animal welfare through short transport routes and improved husbandry systems. Central to these programs is fair cooperation and close cooperation and close exchange with the farmers. Against this background REWE Group is currently implementing 13 regional programs with added animal welfare values for the following animal species pork, beef and chicken.

For example, the REWE sales division offers meat from pigs from North Rhine-Westphalia under the "Strohwohl" brand. pigs from North Rhine-Westphalia that were predominantly raised on straw. Rearing and fattening take place in modern family farms according to the latest standards. The animals have twice as much space as required by law and are fed GMO-free feed.

In addition, reserve antibiotics are dispensed with. And under the "FairMast" brand, meat is offered from German chickens, which have more space in animal-friendly barns than in other farming systems. other forms of husbandry. They are kept according to the standards of the European Broiler Initiative and the meat bears the "For More Animal Welfare" label of the German Animal Welfare Association.

No use of monkeys for coconut harvesting

The General Quality Requirements of REWE Group's Quality Assurance stipulate that no animals may be used to harvest coconuts for private label products - this applies both to REWE Group's own brands of coconut milk and to private labels with coconut ingredients in further processing. The General Quality Requirements form the basis for all supplier contracts of REWE Group and are binding. binding.

### 3. cooperation with stakeholders

The challenges for dealing with sustainability risks in the production of our own-brand products often lie in the global trade structures and are influenced by political and social framework conditions. An important starting point for identifying relevant issues and for implementing the sustainability strategy is therefore good stakeholder management. In order to ensure and further develop animal welfare standards, REWE Group is in contact with suppliers, the scientific community and various non-governmental organizations. non-governmental organizations.

Improvement  
industry-wide  
animal welfare standards:  
Initiative  
Tierwohl

As a founding member of the Initiative Tierwohl (Animal Welfare Initiative), REWE Group is committed to improving industry-wide animal welfare standards. industry-wide animal welfare standards. With the alliance launched in 2015, the partners from the partners from agriculture, the meat industry, food retailing and the food service sector catering to their shared responsibility for animal husbandry, animal health and animal animal welfare in livestock farming. The Animal Welfare Initiative supports farmers in taking measures that go beyond the legal standards for the welfare of their livestock. Through the participation of more than 6,400 farms, it has been possible to improve the husbandry conditions for over two billion pigs, chickens and turkeys. Each farm in the initiative Animal Welfare Initiative is inspected every year as part of a regular audit and by an unannounced audit. inspected. Farms that violate the requirements of the Animal Welfare Initiative are consistently sanctioned. The ITW is already in its third program phase with the 2021-2023 program. third program phase. Since its launch, the participating food retailers have already invested have already invested over 645 million euros in the animal welfare of pigs, chickens and turkeys. . Massive additional investments were also decided at the beginning of 2021 for pig farmers decided: To enable all interested farms to participate in ITW, the 75 million instead of the planned amount for the years 2021-2023. for the years 2021-2023, the participating food retail companies are now providing around 135 million euros in a fund for piglet producers. fund. From this fund, piglet producers receive an animal welfare surcharge per piglet in addition to the market price. Surcharge per piglet.

Consumer Milk:

"You  
are  
here  
the  
boss  
"

The consumer initiative "You're the boss here" conducted a survey in the year under review, which characteristics are particularly important in the product milk. The resulting The resulting consumer milk is available at around 400 REWE stores in the central region. It offers fair compensation for farmers, packaging made from renewable raw materials and comes from organic farming.

raw materials and comes from organic farming. The cows receive regionally produced feed and spend at least four months a year on pasture.

REWE Group Sustainability Report 2020  
Child and forced labor

REWE Group procures a large number of products and product components through Supply chains that can extend across several countries. The risk of child and forced labor plays a significant role in this context.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and the environment. products, energy, climate and environment, employees and social commitment. developed. In addition, the strategy Green Products 2030 strategy was adopted to integrate sustainability even more strongly into procurement processes. Within the framework of the fields of action the retail and tourism company is developing effective measures in the Green Products pillar in order to measures in the Green Products pillar to reduce environmental and social impacts. reduced. Within the area of action "People," the focus topic of child and forced forced labor was identified. REWE Group pursues the goal of systematically combating child and forced labor. and forced labor systematically.

Exploitative child labor is defined as children under the age of 13 who perform light work for more than a few hours a week or children under the age of 15 who perform light work for more than a few hours a week. per week or children under the age of 15 perform dangerous or stressful work. work. In many high-risk countries, the ban on exploitative child labor is not sufficiently adequately implemented and enforced.

Forced labor often manifests itself through restrictions on freedom of movement, withholding of withholding of wages and personal documents, and indebtedness to the employer or an Employer or an employment agency. Since often legally or illegally immigrated

migrants or temporary workers, forced labor often goes unreported and is difficult to monitor.  
is difficult to monitor.

GRI  
408:  
Child labor;  
GRI  
409:  
Forced or  
Compulsory Labor

## Management approach

For all business relationships, the guideline  
for  
sustainable  
REWE Group's guideline for sustainable business practices applies to all business relationships.  
It is based on the Universal Declaration of Human Rights of the United Nations, the conventions of the  
ILO conventions and the UN Global Compact. This includes the prohibition of forced labor  
is laid down: No one may be employed against his or her will or forced to work under  
forced to work under any kind of punishment. The prevention of exploitative child labor is also  
exploitative child labor is also anchored here. REWE Group complies with the standards on child labor set  
by the ILO and with the  
standards on child labor and the applicable national laws. In the event of intentional  
gross disregard of the values described in the guideline, REWE Group reserves the right to impose  
sanctions.  
reserves the right to impose sanctions.

Within the framework of its membership in amfori BSCI, REWE Group commits itself as well as all of its  
suppliers and producers to comply with the amfori BSCI Code of Conduct and to commit to its principles.  
principles. These include, among other things, the renunciation of exploitative child and forced labor.  
forced labor. Together with its suppliers, REWE Group works to continuously improve labor and social  
continuously improve its labor and social standards.

In its guideline  
for  
fairness, REWE Group is committed to strengthening human rights within the supply chains of all  
REWE, PENNY and toom Baumarkt to strengthen human rights and improve working conditions.  
improve working conditions. The focus is on the issues of child and forced labor,  
living wages and incomes, and women in the supply chain. In addition  
REWE Group also specifies the following in its guideline  
to  
Prevention  
of  
its requirements and measures with regard to the  
and measures with regard to the prevention and elimination of child labor and defines a binding  
a binding framework for action by business partners. Based on the guideline, the  
REWE Group has created a toolkit to help its business partners and production sites to  
implementing the requirements for the prevention and combating of child labor.  
support. In addition to this, various guidelines describe  
for  
Focus raw materials  
describe specific challenges and the resulting requirements for suppliers of REWE  
Group suppliers, also with regard to the issues of forced and child labor.



One of the main reasons for child labor is poverty. For this reason, the REWE Group focuses measures to combat child labor, REWE Group also focuses on promoting living wages and incomes. For more information, see the section on Living Wages and Income.

#### Risk Analysis: Forced Labor in the Supply Chain

In 2019, REWE Group conducted a risk analysis to identify risks of risks for forced labor in the supply chain. For this purpose the risks for forced labor in all countries in which the supply chains of REWE Group's supply chains extend. In a second step goods and raw materials with regard to the risk of forced labor. were considered. The data obtained was then linked to the country risks. linked. A qualitative analysis of the hot spots was then was conducted. In these case studies, the incidence and causes of forced labor were causes of forced labor were examined specifically in relation to these hot spots. Based on all the results of the analysis, REWE Group is developing is developing suitable measures to minimize the risk.

#### Avoiding child and forced labor in raw material extraction through standards

In order to combat child and forced labor at the raw material extraction stage and to ensure socially socially acceptable working conditions, REWE Group relies on internationally recognized recognized certification standards. The most important organizations are Fairtrade, Rainforest Alliance / UTZ, Cotton made in Africa, MSC, ASC, GGN GlobalG.A.P. and Naturland. They ensure higher standards in raw material cultivation and more transparent supply chains. Child and forced labor are prohibited under these standards. With regard to the raw material palm oil palm oil, the Roundtable on Sustainable Palm Oil standard is also of central importance. ensure that there is no child or forced labor on plantations.

#### Child labor in the cocoa sector Combat

Due to structural poverty and the lack of schools, child labor is child labor is widespread in cocoa farming. To keep costs as low as possible costs as low as possible, children often help out during harvest time, especially in family-based children often help out during harvest time. REWE Group is committed to ensuring cocoa products in its product ranges are produced with respect for human respect for human rights and compliance with recognized labor standards. To this end, the trading company relies certification such as Fairtrade, Rainforest Alliance / UTZ or Naturland. or Naturland. For more information, see also Guideline for cocoa products.

## Measures to prevention of forced labor in the Fisheries Sector

Much of the traditional fishing and aquaculture work aquaculture operations takes place in Asia and Africa. Often the working conditions in these countries do not meet internationally recognized standards. standards - in particular, there is an increased risk of forced labor. REWE Group's goal is to ensure that human rights and fundamental social and fundamental social and labor standards in the seafood sector. In doing so, the basic principles for the renunciation of child labor and, above all, forced labor in the cooperation with suppliers of seafood suppliers are particularly relevant. Through the purchase of certified goods, audits are also carried out on the farms in the aquaculture supply chain to ensure that the farms are also checked for compliance with the basic principles. Since there is no established certification for labor and human rights for fishing vessels. REWE Group is committed to ensuring that social principles are included in the principles are included in the standards for wild fish and ensured through certification. For more information see Guideline for Fish and Seafood.

For more information on dealing with child and forced labor in raw material extraction, see the

Focus raw materials sections  
-  
Food or Focus raw materials  
-  
Non-Food.

Use social audits to ban child labor and forced labor in processing and production

To check compliance with the ban on child and forced labor in processing and production, social audits are regular social audits are carried out, predominantly in accordance with the amfori BSCI standard. (see section Social Aspects in the supply chain). As part of the audits all production sites of the first supply chain level from defined risk countries are inspected. They are carried out both announced and unannounced. Following the audit, the respective

company receives an assessment based on the audit results. In the case of obvious child labor or forced labor, the audited company does not receive an overall rating, but rather the zero-tolerance mechanism of amfori BSCI applies: The auditor triggers a warning message, stops the audit warning, stops the audit and collects evidence to prove the violation. The violation is then reported within 24 hours of its discovery to the amfori BSCI Secretariat. Within 48 hours of raising the allegation, the auditing department reviews the facts of the case, the evidence, and the training and competencies of the auditor. Within 72 hours of the finding, all affected amfori BSCI participants form an ad hoc remediation group to define the next steps and to initiate measures, the implementation of which will be reviewed.

Strategically relevant production sites also participate in the Factory Improvement Training (FIT) of REWE Group. Here, the challenges of the production sites are addressed individually. If risk factors for forced or child labor are present in a factory, these are addressed in the training.

#### Cooperation with Child rights organization

Cases of child and forced labor are not tolerated at the REWE Group and are thoroughly dealt with thoroughly. In order to be able to react quickly in cases of child labor, REWE Group has been cooperating with the children's rights organization "The Centre of Child Rights and Business" (formerly the Center for Child Rights and Corporate Social Responsibility). The organization advises companies on the implementation of strategies and programs to ensure children's rights in children's rights in supply chains. Through the cooperation, REWE Group benefits from the organization's expertise and network of the organization, exchanges information with relevant stakeholders within the framework of the stakeholders and can use the tools developed. When cases of child labor are

are discovered, "The Centre" supports the company in implementing remedial measures.

#### Dealing with complaints and notices at Forced or child labor

REWE Group promotes the establishment of effective grievance mechanisms in the supply chain. In this way, the company wants to ensure that abuses in the supply chains can be uncovered. This also applies to the reporting of cases of child and forced labor. Already now REWE Group already checks, within the framework of audits and certifications, whether production sites offer their employees the opportunity to lodge complaints. To deal with REWE Group has developed a systematic process for dealing with complaints (for more information, see section Social

Aspects  
in  
the  
supply chain).

In 2020, REWE Group received five complaints. All five cases were handled by applying a systematic process. One case involved the suspicion of forced labor and one case involved suspicion of child labor. As an example the case of a factory in Egypt is presented in more detail: As part of an amfori BSCI audit, a case of child labor was uncovered in August 2020: Two 14-year-old girls, who had been temporarily school due to the Corona pandemic, worked for two weeks in the factory. in the factory for two weeks. When it was discovered that they were too young, they were fired after being paid a month's wages. Immediately thereafter, a zero-tolerance process was initiated in which all amfori members who purchase products from the factory participated. The The Centre of Child Rights and Business (formerly the Centre for Child Rights and Rights and Corporate Social Responsibility) investigated the case and developed proposals for preventive measures and preventive measures and remedies. For example, a training session was held to educate the employees of the factory, and in particular the human resources department, and to introduce better age checks before starting work. As compensation, the factory paid factory paid for tutoring for the girls until they finished school.

## REWE Group Sustainability Report 2020 NutritionNutrition

Living conditions and eating habits have changed continuously over the past decades. changed continuously over the past decades. The classic sequence of meals in the family home is becoming less important. more and more food is eaten outside the home; food is available in this country almost available almost anytime and anywhere. At the same time, digitization is changing the world of work - an increasing number of people are working at desks, and physical labor is declining. decreasing. As a result, people today need less energy than previous generations. Since the majority of nutritional behavior has not been adapted, this has led to an unbalanced diet. As one of the leading food retailers in Europe, the REWE Group has around 85 million customer contacts per week in its supermarkets and discount stores. stores - and thus has a great deal of leverage in fulfilling its social responsibility with regard to the with regard to a balanced range of food products.

In order to integrate sustainability as an integral part of its procurement processes, the REWE Group has developed a comprehensive sustainability strategy. The ecological and social impacts of the company are to be reduced within the framework of the Green Products pillar, in particular in reduced in the following four areas of action: People, Animals, Environment and Nutrition. The activities in the area of nutrition pursue the goal of promoting a diverse and healthy and healthy nutrition - by adapting products and raising awareness among consumers. consumers.

GRI  
Food  
Processing  
(FP):  
Healthy  
and  
affordable

## Food

### Management approach

With regard to nutrition, transparent information on the nutritional values of products plays an as well as the adaptation of the product range play a significant role. In the case of REWE Group has the opportunity to adapt its own-brand products by adjusting recipes with regard to nutrients such as sugar, salt, fat or saturated fatty acids. contribute to a varied and balanced diet.

REWE Group's focus is on reducing salt and sugar in its private label products. To this end, the company has published a strategy paper in which processes and targets for salt and sugar reduction are defined. salt and sugar reduction.

In order to make the progress in the field of action nutrition measurable, the following targets and key performance indicators have been defined for the private brands (for more information, see the overarching management approach Green Products):

KPI  
Target  
Status  
Measures

Proportion of private label articles,  
checked for sugar and salt content100% by the end of 2020See section

Proportion of relevant\*

Own-brand articles for which a sugar or salt reduction has been implemented50 % by the end of 2020  
Nutrition

In progress  
Target achieved



Target not achieved

\*Not relevant are, for example, mono-products such as rice, potatoes or flour, as well as products that have no added sugar/salt, such as mineral waters, cooking oils or vinegar.

Since 2018, all private label formulations have been reviewed. On this basis, it has now been possible to more than 550 private label products have been optimized in terms of sugar and/or salt content. have been optimized. REWE Group was thus able to achieve the target set for the end of 2020 of optimizing half of the

of the recipes of relevant products by the end of 2020. No alternative sweeteners or sweeteners or salt substitutes were used. The sugar or salt content of the products was reduced step by step to slowly accustom customers to the new taste - less sweet and less salty. and less salty. It should be noted that the private label range of the

REWE Group is constantly being revised: New items are included, others are discontinued.

In this respect, the assortment is not static in terms of number and composition. One of the first products was the REWE Beste Wahl chocolate pudding, for which consumers were informed about the reduced sugar content at the beginning of 2018.

were able to decide on the reduced sugar content at the beginning of 2018. As a result, the pudding was included in the range with 30 percent less sugar than the standard recipe.

included in the product range. At the beginning of 2019, REWE customers were also able to decide on the

sugar content of the product REWE Deine Wahl Triple Chilli.  
of the REWE Deine Wahl Triple Choc Crunchy Muesli product, choosing between three levels.

levels. With 61 percent of the votes, the product with 30 percent less sugar was chosen.  
sugar was chosen, which then went into the stores. In the future, REWE Group will continue to strive for  
further optimize private label recipes in terms of their sugar and/or salt content.

Clear  
Labeling  
with  
the  
Nutri-Score

The Nutri-Score is a nutritional labeling system that includes both ingredients such as  
calories, protein and fat, as well as the vegetable and fruit content of a food.  
of a food product and calculates a value based on these properties.  
determined. The scale ranges from green A and up to red E. A  
representative survey conducted by the German Federal Ministry of Food and  
Agriculture showed in 2019 that the majority of consumers are in favor of labeling.  
majority of consumers are in favor of labeling foods with this  
Nutri-Score - as it is the most helpful and easiest to understand.  
understandable. In order to support its customers in eating a healthy diet, REWE Group has  
REWE Group has started to use the NutriScore labeling for the first private label products in 2020.  
labeling for the first private label products. The  
The first of these was in June 2020, when more than 50 permanently listed items of the PENNY  
organic private label Naturgut. In the reporting year, REWE also introduced the Nutri-Score  
for processed foods under its private label brands. The labeling  
will be successively extended to all private labels. The introduction of NutriScore  
labeling was supported at REWE from 2021 onwards by the  
nutrition campaign "Lighter  
better  
eating" campaign, which shows that it is neither  
that it is neither difficult nor expensive to make a conscious decision for a better diet.  
to make a conscious decision to eat better.

Measures  
and  
projects  
for  
promotion  
of a  
balanced  
nutrition

Within the framework of a variety of projects, REWE Group is working to promote a balanced diet.  
nutrition. In addition to adapting the product range, the focus is also on sensitizing and informing  
consumers about a healthy and balanced diet.  
consumers for a healthy and balanced diet is also a focus of REWE Group's activities.  
activities of REWE Group.

Commitment to educating people about healthy nutrition and exercise

As a founding member and member of the Management Board of the "5 a Day" association, REWE Group supports the goal of increasing the consumption of healthy food and exercise. Group supports the goal of increasing the consumption of fruit and vegetables to five servings a day and promoting healthy healthy diet for children. Together with other sponsors, including the German Nutrition Society (DGE), the company has been committed since 2000, that more fruit and vegetables are consumed.

For  
a  
healthy  
nutrition  
at  
Children

In some regions of Germany, the REWE sales division sponsors nutrition workshops, which are conducted by the provider expika. The goal of the workshops is to motivate children in daycare facilities and support them in learning about healthy nutrition through play. learn. In the daily educational work, digital media are also used for this purpose. media are used for this purpose. Nutrition workshops supported by REWE Group are now in their eleventh year. are already in their eleventh year. Since then, over 240,000 children have participated. In the year under review, only 380 workshops were held for around for about 6,000 children.

With  
the  
Power  
box  
healthy  
in  
the  
day

In cooperation with Tafel Deutschland e.V. and other partners, REWE provides participating schools with with a variety of foods selected by nutrition experts for the preparation of a selected by nutrition experts for the preparation of a breakfast in the class community. The aim is to give children a healthy start to the day. In 2020, 15 schools, and thus over 1,700 children, received the Power Box every day from Monday to Friday. In the entire 2019/20 school year, over 250,000 meals were thus provided. Through school closures due to the pandemic, the project had to be temporarily suspended. In order to to receive food as needed and possible, schools were given access to the REWE delivery service during this time. access to the REWE delivery service. In this way, since 2009 nearly 15,000 children have received almost 1.8 million breakfasts. The project is supported by donations from from Chiquita, Danone, Ehrmann, FrieslandCampina, Mondelez, Nestlé, Unilever, Zentis, Henkel and Eurogroup, which is part of the REWE Group.

Conscious  
Nutrition  
at  
the  
customers  
targeted

To achieve lasting success, consumers' knowledge of healthy and balanced nutrition must be increased. and balanced nutrition must be increased. For this purpose, REWE Group uses its Internet pages - here the company offers practical information on its private label products private label products, their recipes and the requirements of a balanced diet. nutrition.

In order to inform its consumers comprehensively, the REWE sales division developed the campaign "Schon bewusst?

sales division developed the "Schon bewusst?" campaign at the beginning of 2020, which will be continued in 2021. In addition to

In addition to topics such as animal welfare and CO2 emissions, one focus was on the importance of a healthy and varied diet.

and varied diet. To this end, alternatives to meat or sugary products, tips for a healthy lifestyle and information on nutrients and ingredients. ingredients.

In addition, the sales division offers a wide range of recipes for a balanced diet in the online recipe database REWE Deine Küche.

online recipe database offers a wide range of recipes for a balanced diet. In addition to sugar-reduced and

vegetarian and vegan recipes, consumers can also find out more about seasonal and

and conscious nutrition, intolerances and the Nutri-Score. Many recipes

nutritional value, which allows consumers to see at a glance how well the recipe meets the current

the recipe meets the current recommendations of the German Nutrition Society. For the

the nutrients in a dish are taken into account when calculating the nutritional value. These

include all ingredients as well as differences resulting from the respective preparation methods.

preparation methods. Using a scale of one to ten, consumers can then see how balanced a recipe is.

balanced a recipe is. The nutrition lexicon also provides answers to questions about

ingredients and additives and information on fats and oils.

For more information, see the section Projects

and

Sponsorships.

REWE Group Sustainability Report 2020

Energy,ClimateandEnvironmentEnergy,ClimateandEnvironment

Climate change is one of the greatest challenges facing the international

community of nations and has far-reaching effects worldwide. Existing ecosystems

biodiversity are threatened and the livelihoods of millions of people are at risk.

people's livelihoods are at risk. Against this backdrop, the Paris climate agreement envisages limiting global

global warming to well below 2 degrees compared with pre-industrial levels and to make

efforts to limit the temperature rise to 1.5 degrees.

Movements like Fridays for Future show that awareness of the need for

climate protection measures is also anchored in society.

A large proportion of the world's CO2 emissions are generated in the cultivation, manufacture and



consumption of products and the provision of services (information about REWE's REWE Group's climate protection commitment in the supply chain can be found in the section Climate Protection in the supply chain). Greenhouse gas emissions also occur in the operation of the stores, in logistics and at the locations. greenhouse gas emissions. REWE Group therefore took up this challenge at an early stage. challenge at an early stage: The company prepared its first carbon footprint at the corporate level for the year 2006 and started the switch to certified green electricity in 2008. started. The importance of climate protection measures for REWE Group was also confirmed by the stakeholders also confirmed the importance of climate protection measures for REWE Group within the scope of the materiality analysis. relevant and came third in the ranking (for more information, see the section on Materiality Analysis section).

At the same time, REWE Group itself is affected by climate change in various ways. affected: Climatic changes, high levels of precipitation and storms can affect the company's own locations and have an impact on the products and services of the

REWE Group, which depends on the long-term and reliable availability of food. is dependent on. Extreme weather events and changing climatic conditions can threaten the cultivation and harvesting of raw materials and lead to higher purchase prices. In tourism climate change can jeopardize entire destinations in the long term. These include especially islands, coastal regions or ski resorts.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central sustainability pillars: Green Products, Energy, Climate and Environment, Employees and Social Commitment. Within the framework of the Energy, Climate and Environment pillar REWE Group is pursuing the strategic goal of making an active contribution to climate and resource resources and to keep the impact on the climate and the environment as low as possible. as possible.

## Strategic Approach

REWE Group's efforts with regard to climate and resource protection are set out in the Guideline for Sustainable Sustainable Business Practices. The sustainability pillar Energy, Climate and environment essentially deals with environmentally relevant activities that are part of our own business processes. business processes. These include the construction and operation of stores, warehouses, administration and production sites, logistics, and resources and materials, and production sites, logistics, and the resources and materials required for our own business activities. and materials required for the Group's own business activities. REWE Group endeavors to use resources sparingly and to resources sparingly and to increase the use of recycled and more sustainable materials.

Saving energy and avoiding climate-damaging emissions are of particular importance to the company. emissions are of particular importance to the company. REWE Group has therefore established a central energy management system to control its efficiency measures, has been using green electricity since 2008 has been using green electricity since 2008, is exploiting optimization potential in logistics, and has been

pursuing a green and, with its Green Building concept, has been pursuing a holistic approach to sustainability for its locations. REWE Group reviews its progress in an annual carbon footprint, which is prepared by independent experts.

## Fields of action

In the Energy, Climate and Environment pillar, REWE Group has identified the following three fields of action as part of a strategy process, REWE Group has identified the following three fields of action: Energy efficiency,

Climate-relevant emissions and resource conservation. The management of all fields of action the Energy, Climate and Environment working group, in which all sales divisions and relevant holding relevant holding company areas are represented. The working group is chaired by Telerik Shishmanov (Divisional Board Member Trading Germany - Administration and Services).

## Goals and Key Performance Indicators (KPIs)

In order to make its progress in the energy, climate and environment pillar measurable, REWE Group has defined various KPIs with associated targets. In 2013, REWE Group updated its climate target, which had been in place since 2009, and since then has been striving to reduce its greenhouse gas emissions per square meter of sales floor by 2022 compared to 2006. halved. This target was achieved ahead of schedule in the 2020 reporting year.

KPI
Target
Status
Measures
Greenhouse gas emissions (CO <sub>2</sub> )
By 2022 compared to 2006
-53,6 %
See section on climate protection equivalents) for Germany and Austria per
halve
at
Company level
square meters of sales floor space

REWE Group's new climate targets: reduction before climate neutrality  
With the halving of greenhouse gas emissions per square metre of REWE Group achieved an important milestone in the reduction of its greenhouse Austria, REWE Group reached an important milestone in the year under review in reducing its climate-relevant emissions. It has therefore set itself new targets in 2021: REWE Group is to become climate-neutral by 2040.

This will then apply to all countries in which it is active. To achieve this, it wants to reduce its absolute greenhouse gas emissions by the year 2030 by 30 per cent compared with the new 30 percent by 2030 compared to the new base year of 2019. To this end, the REWE Group will continue to consistently implement measures to reduce avoid or reduce greenhouse gas emissions at the corporate level. reduce them.

#### KPI Target Measures

Reduction of absolute greenhouse gas emissions at the Company level

By 2030 compared to 2019

Reduce by 30 percent

See section

Climate neutrality at corporate level Climate neutrality by 2040 See section.

In addition to the existing climate target, REWE Group has defined two KPIs that measure the effectiveness of measures to improve energy efficiency and reduce

Greenhouse gas emissions tracking. They start with the activities that are responsible for significant greenhouse gas emissions and where REWE Group can achieve a direct effect through its own measures.

Group can achieve a direct effect through its own measures:

#### KPI Target Status Measures

Electricity consumption per square meter of sales floor (in kWh/m<sup>2</sup>) in Germany and Austria

Reduction of 7.5 % between 2012 and 2022

-11.2 % See section

#### Refrigerant-related

Greenhouse gas emissions per square meter of sales area (in kg CO<sub>2</sub> equivalents/m<sup>2</sup>) in Germany and Austria

Reduction of 35 % between 2012 and 2022

-46.7 % See section

This means that REWE Group in Germany and Austria has achieved the target values for 2022 for the KPIs were also achieved for 2020, as in previous years. For the KPI on

climate protection at

Company level

Climate protection at

Company level

Energy

Climate protection

at company level

electricity consumption per square meter of sales area, the use of LEDs for lighting, measures for more energy-efficient

lighting, measures to make refrigeration more energy-efficient, and construction and

and conversion measures made a decisive contribution. Within the framework of the energy management system

REWE Group is currently defining new targets for the operating units. For the KPI on

greenhouse gas emissions per square meter of sales floor area, the use of more climate-friendly refrigerants is making a

climate-friendly refrigerants makes a significant contribution to achieving the target. These are increasingly

natural refrigerants such as CO<sub>2</sub> or propane, as well as refrigerants with a lower greenhouse gas greenhouse gas potential.

With its commitment to the pillar of energy, climate and the environment, REWE Group also makes a contribution is also making a contribution to the global goals of sustainable development. A comparison of the Sustainability Strategy with the Sustainable Development Goals (SDGs) shows that especially SDG 7: Renewable Energy, SDG 11: Sustainable Cities and Communities, and SDG 13: Climate action are relevant to the energy, climate and environment pillar. Within the framework This analysis was carried out by the REWE Group sustainability officers and external SDG 7: Renewable energy with high relevance for REWE Group (see also section Sustainability Strategy). (see also section Sustainability Strategy).

Reporting

In the following sections of the GRI report, all approaches, data and topics of the pillar Energy, Climate and Environment can be found:

- 

Waste

- 

Energy

- 

Green Building

- 

Climate protection  
At Corporate level

- 

Logistics and Mobility

- 

Materials

●

Operational  
Water consumption

REWE Group Sustainability Report 2020  
MaterialsMaterials

REWE Group uses a variety of materials for its daily operations - these require natural raw materials are required. Making efficient use of these is a core element of sustainable economic activity.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central sustainability pillars: Green Products, Energy, Climate and Environment, Employees and Social Commitment. Within the framework of the pillar Energy, Climate and Environment three fields of action have been defined: Energy efficiency, Climate-relevant emissions and resource conservation. The activities in the area of material savings are to be assigned to the Resource conservation field of action. REWE Group pursues the goal of conserving natural resources wherever natural resources wherever possible and to close material cycles.

GRI  
301:  
Materials

Management approach

In the guideline for Sustainable REWE Group is committed to the efficient use of natural resources use of natural resources such as soil, air and water, as well as raw materials, fuels and combustibles. To this end, REWE Group optimizes relevant resource consumption in its business processes and implements processes and implements product- and raw material-related measures in the upstream and downstream stages of the value downstream stages of the value chain. These include the PRO PLANET process, which also takes into account aspects of resource conservation (for a for an explanation, see section PRO PLANET). Product-related measures are

in the areas of packaging and the use of recycled materials, as well as in the optimization of optimization of material cycles (for more on packaging, see the section on

Packaging).

## Projects and measures for resource conservation

In its own business processes, REWE Group implements measures to close material cycles and conserve resources. Internal focal points are in management, in the optimization of logistics processes, in the use of environmentally friendly paper and in waste management.

### Reusable systems in logistics prevent transport waste

In order to reduce the amount of waste from transport packaging, the logistics department of REWE Group uses reusable containers. In the last few years, the share of reusable of reusable pool crates has been increased in recent years and now stands at more than 60 percent. In addition, the conventional wooden pallets are being replaced by plastic alternatives. Plastic pallets are lighter with more capacity measured in terms of transportable package volume, which has a positive effect on energy efficiency during transport. In addition, the plastic pallets used are fully recyclable and, in the event of a defect, are recycled. recyclable in the event of a defect.

### Use of low-aromatic printing inks improves recycled paper

Since January 2016, REWE Group's handbill production has been using only low-aromatic printing ink instead of conventional instead of conventional printing ink containing mineral oil. In this way, the REWE Group meets the requirements of the Blue Angel eco-label for printed products (RAL 195), which has stipulated the use of low-pollutant inks and varnishes since 2017. This change, which was REWE Group has led to sustainable changes in the entire industry. industry, as it has prompted the leading paint manufacturers in Germany, Austria, and Switzerland to preferentially supply low-aromatic inks for heatset printing processes.

The switch by printers to low aromatic ink is an essential step for the use of recycled paper for food packaging. This is because the use of currently means that recycled paper cannot be used for food packaging. cannot be used for food packaging because the aromatic substances in the mineral oil-based ink of the mineral-oil-containing ink can pass into the food. This transfer is considered to be a health hazard. For this reason, the REWE Group has campaigned for the

the use of aromatic-free inks has become the standard in the printing industry. printing industry.

## Optimization of material cycles in the textile sector

REWE Group is working on measures to close material cycles in order to material cycles to conserve resources and promote sustainable consumption. promote sustainable consumption. To this end, the company already established a system for textiles in 2016 and, together with a service provider, set up the first first collection containers at locations of the PENNY sales division in 2017. PENNY sales division. In this way, REWE Group wants to help ensure that textiles are are recycled and not thrown away. By the end of 2020 over 600 collection containers were available for taking back textiles. available. The collected used textiles are used as second-hand clothing used as second-hand clothing or are recycled in industry or as input material in the textile production. Textiles that can no longer be recycled are disposed of properly.

GRI  
301-1:

Materials used  
materials  
According to  
Weight  
or  
Volume

For a retail and tourism company, paper is an essential resource that plays a major role in product plays a major role, especially in product advertising. The total paper consumption of REWE Group decreased from around 168,000 tons in 2019 to 155,800 tons in 2020.The majority of paper consumption is accounted for by the production of handbills. The decrease in paper consumption in 2020 is mainly due to the lower demand at DER Touristik as a result of the pandemic at DER Touristik. This trend is also reflected in the specific paper consumption, which fell to 15.16 kilograms per square meter in 2020. per square meter of sales area.

Absolute  
Paper consumption  
(t)

2018  
2019  
2020

184.455  
167.969

155.808

Specific  
Paper consumption  
(kg/m²)  
2018  
2019  
2020

18,70  
16,84  
15,16

Scope: REWE Group in Germany and Austria, including merchants.

GRI  
301-2:

Used  
recycled  
raw materials

In order to make the consumption of paper, which is defined as an essential resource, more environmentally friendly in the long term REWE Group promotes the use of recycled paper, which is used in particular for handouts and other print used in particular for handouts and other print media as well as in administration.

More recycled paper reduces the ecological impact of paper consumption

Since 2009, REWE Group has essentially been using more environmentally friendly paper. The share of more environmentally friendly paper in total consumption was almost 100 percent in 2020. The share of recycled paper (with or without the Blue Angel eco-label) of more environmentally friendly paper was around 97 percent. The remaining three percent was made up of virgin fiber paper from sustainable forestry. sustainable forestry certified by the Forest Stewardship Council® (FSC®), Programme for the Endorsement of Forest Certification Schemes (PEFC™) or the EU Ecolabel. certified.

REWE Group Sustainability Report 2020  
EnergyEnergy

Whether in the stores, in transport or in administration - REWE Group consumes energy in its business activities. energy in the course of its business activities. Responsible use and the use of alternative energy sources alternative energy sources can help to reduce the impact on the environment.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with four central pillars: Green Products products, energy, climate and environment, employees and social commitment. have been developed. Within the framework of the pillar Energy, Climate and environment, three fields of action were defined: Energy Efficiency, Climate-Related Emissions and Resource Conservation. Within the framework of the REWE Group is continuously working on reducing its energy consumption per square meter of sales floor. energy consumption per square meter of selling space. In this way, it is making a contribution to climate protection.



Management approach

The main energy consumption is generated by refrigeration and lighting in REWE Group's stores. REWE Group's stores. In addition, the transport of goods results in relevant fuel consumption (for measures on this topic, see the section on Logistics and mobility). For electricity consumption, which accounts for the largest share of total energy consumption at around 59 percent, the following development was achieved. energy consumption, the following development was achieved:

KPI  
Target  
Status

Electricity consumption per square meter of sales area (in kWh/m²) in  
Reduction of 7.5 % between  
-11,2 %  
Germany and Austria  
2012 and 2022

This means that REWE Group in Germany and Austria achieved the target value for 2022 also achieved in 2020. The main contribution to this was made by the use of LED-lighting, measures for more energy-efficient refrigeration and new, more energy-efficient stores. markets. Overall, this success demonstrates the effectiveness of the implemented energy management systems. REWE Group will continue to work on improving its energy energy efficiency in a continuous improvement process. As part of the energy management system, REWE Group is currently working on defining a new target.

Development  
of the  
electricity consumption  
per  
square meter  
Retail space  
in  
Germany  
and

Austria  
at  
Detail  
2012  
2018  
2019  
2020  
Change  
vs. 2012  
-7,1 %

-9,4 %  
-11,2 %

Electricity consumption per square meter of sales floor area kWh/m<sup>2</sup> 333.6309.9302.2296.23

Scope: REWE Group companies in Germany and Austria including merchants and REWE Dortmund. In the year under review

Lekkerland was integrated into the scope. Units that were excluded from the scope of REWE Group in the reporting period were not included.

REWE Group during the reporting period in relation to the scope of application.

The reduction of energy consumption per square meter of sales floor space is an important contribution REWE Group's climate protection target (see also the section on Climate Protection at

corporate level). The basis for targeted efficiency measures within REWE

Group is formed by a Group-wide energy management system that has been in place since 2008 together with the

Hamburger Energie-Handels-Gesellschaft (EHA) since 2008. The energy service provider - since a wholly owned subsidiary of REWE Group since 2014 - has equipped the stores and warehouses with measuring

stores and warehouses with metering points, thus enabling centralized and daily energy consumption. In addition, the temperature and energy data are monitored with the monitoring platform FRIGODATA.

The central energy management of REWE Group in Germany is certified according to the current version of the ISO 50001:2018 standard. With all sales divisions and around 5,000 locations, the system records the system records the energy consumption of the entire REWE Group in Germany. This includes the food retail stores, DIY stores, travel agencies, logistics centers, administrative offices and online stores. One exception to this is the unit newly added in the reporting year Lekkerland, which is not yet part of REWE Group's central energy management system in Germany. Germany. The production operations Wilhelm Brandenburg and Glocken Bäckerei have been operating certified energy management systems in accordance with ISO 50001 since 2014. In April

2016, REWE International AG also received ISO 50001 certification for Austria for around

2,100 stores (BILLA, MERKUR, PENNY Austria, BIPA) and the entire logistics area.

Also for BILLA Czech Republic, BILLA Slovakia, BILLA Bulgaria, IKI Lithuania and PENNY Romania have had ISO 50001 certification since spring 2017. In 2018, all

all other countries of REWE International AG were certified. In this way, REWE Group bundles the numerous activities in the energy sector and at the same time fulfills requirements of the European Energy Efficiency Directive or the legal implementations in the individual countries (in Germany the Energy Services Act).

Energy consumption  
optimize

The established management structure is an essential prerequisite for the for the ongoing optimization of energy consumption, as detailed data energy targets and sub-targets can be better defined and tracked.

can be tracked. In addition, correlations can be established between the between measured energy consumption and implemented measures can be better and implemented measures can be better tracked and monitored. In this way, effective approaches can be

can be identified and further developed. In addition to the responsible administrative staff and energy managers, local employees also play an important role.

local employees also play an important role. They can make an important contribution to the success of measures and are important sources of information for improvement approaches. For questions, suggestions and their own proposals, REWE Group has set up a central e-mail address for employees for questions, suggestions for employees: [EnMS@rewe-group.com](mailto:EnMS@rewe-group.com).

GRI  
302-1:

Energy consumption  
within  
the  
Organization

Energy consumption includes electricity, mainly for cooling and lighting, energy sources for heat generation, as well as fuel consumption for transporting the from the warehouse to the sales outlets and, in the case of online orders, delivery to the customers. This part of logistics falls within the direct sphere of influence of the company, for this reason, both the consumption of the company's own vehicles and that of external service

service providers in Germany and Austria were included here (for measures in the area of

Logistics and mobility, see section Logistics  
and  
Mobility).

In 2020, the absolute energy consumption of REWE Group has decreased by approximately 2.1 percent. This development is based on a decline in consumption in the areas of electricity, district heating and kerosene. The increase in fuel consumption for trucks and cars from 2019 to 2020 is mainly due to the inclusion of Lekkerland in the scope of consolidation.

The largest share of total energy consumption from 2020 is accounted for by electricity at around 59 percent, followed by fuels for trucks and cars (incl. third-party logistics).

Energy consumption  
within  
the  
organization  
(in  
GWh)

2018  
2019  
2020  
Change 2019-2020  
absolute  
absolute  
Electricity  
4.142

4.112  
 4.046  
 -66,1  
 -1,6 %  
 Heating oil  
 75  
 77  
 74  
 -3,5  
 -4,5 %  
 Gas (natural gas and liquefied petroleum gas)  
 1.063  
 1.078  
 1.065  
 -12,8  
 -1,2 %  
 Renewable energies from  
 10  
 10  
 14  
 3,9  
 39,9 %  
 Own generation  
 District heating  
 324  
 284  
 260  
 -24,5  
 -8,6 %  
 Fuels (truck/car)  
 1.123  
 1.219  
 1.330  
 111,1  
 9,1 %  
 Kerosene  
 264  
 227  
 79  
 -148,4  
 -65,2 %  
 Total  
 7.000  
 7.008  
 6.867  
 -140,4  
 -2,0 %

1 TJ | 0.2778 GWh, 1 MJ/m<sup>2</sup> | 0.2778 kWh/m<sup>2</sup> (Source: International System of Units (SI))

The conversion factors for the different energy sources are obtained from the GEMIS material flow analysis model and the TREMOD transport emission model.

emission model TREMOD.  
 Scope: REWE Group including the merchants. In the reporting year, Lekkerland was integrated into the scope. Not

taken into account were units that left REWE Group, and a retroactive adjustment of the data took place. Renewable energies from own generation include: solar thermal, photovoltaics, geothermal, wind energy,

wood pellets, bioheat.

Energy consumption within the organization - consumption shares 2020

Electricity58.92%  
Heating oil1.08%  
Gas (natural gas and liquid gas)15.51%  
Renewable energies from own generation0.20%  
District heating3.79%  
Fuels (truck/car)19.37%  
Kerosene1.15%  
GRI  
302-3:

Energy intensity

Energy intensity comprises site-related energy consumption from the energy types Electricity and heat (heating oil, gas and district heating). The specific site-related REWE Group's specific location-related energy consumption (energy consumption per square meter of sales floor) reporting period and was 2.5 percent lower in 2020 compared to 2019. This development is due to the implementation of numerous efficiency measures, such as the use of efficiency measures such as the use of LED lighting (see also the

the KPI  
to  
electricity consumption  
and the table  
electricity consumption).  
Measures  
for  
reduction  
of the  
Energy intensity  
Unit  
2018  
2019  
2020  
Change  
2019-2020  
Absolute energy consumption  
in GWh  
5.613  
5.561  
5.457  
-1,9%  
Energy consumption per square meter of sales area  
in kWh/m²  
457,47  
447,21  
435,97  
-2,5%

Scope: REWE Group including merchandisers. In the reporting year, Lekkerland was integrated into the scope. Not taken into account were units that left REWE Group. A retroactive adjustment of the data took place.

GRI  
302-4:

Reduction  
of  
energy consumption

In order to be able to save energy in a targeted manner and reduce emissions, the company reviews Hamburg Energie-Handels-Gesellschaft (EHA) to monitor electricity and gas consumption at the locations gas consumption at the sites it supplies. Since 2016, the ISO 50001 certified energy management system of REWE Group in Germany, Austria, and the countries of Central and Eastern European countries. Based on the data collected, the energy managers at REWE Group review actual and target consumption levels and make recommendations for optimization measures. These are mainly aimed at optimizing lighting, refrigeration, heating and air conditioning systems. and cooling, heating and ventilation systems. REWE Group is also working on improvements REWE Group is also working on improvements with regard to heat consumption.

Lighting

Lighting influences the well-being of customers and the presentation of products. pleasant lighting makes a significant contribution to the shopping experience. At the same time At the same time, lighting accounts for around 25 per cent of electricity consumption in the grocery stores and for around 60 percent at toom DIY stores. To reduce this consumption, energy management is working on efficient lighting concepts that meet the lighting requirements of the lighting requirements of the sales divisions. LEDs play a major role in this, as they save between 30 and 45 percent of the electricity required for lighting.

Changeover  
to  
LED lighting

For the systematic changeover to LED lighting in their stores REWE Group's sales divisions have developed lighting concepts tailored to the developed lighting concepts tailored for use in the retail sector, some of which required solutions were required. In recent years, LED lighting systems have developed significantly in terms of light color and further developed. REWE Group is using new LED lighting concepts in all new buildings and refurbishments LED lighting concepts in stores and at logistics locations. The use of use of LED lighting has made a significant contribution to reducing electricity contribution to reducing electricity consumption per square meter of sales floor space. reduced.

## Cooling

Refrigeration consumes the most electricity in grocery stores and is therefore an important factor in reducing energy consumption.

key factor in reducing energy consumption. Optimized refrigerated shelves save 20 to 40

percent of the cooling energy. Glass doors on the refrigerated shelves are an effective and visible way to reduce and visible measure to reduce energy consumption. They are already used as standard for meat products already being used as standard for meat products, and they are also being used for dairy products in new buildings and major

new buildings and major refurbishments in Germany. In Austria, too, glass doors are used on the In Austria, too, glass doors are used on the refrigerated shelves of the BILLA, ADEG and MERKUR sales lines for meat products,

For dairy products, they are standard in new buildings of BILLA and MERKUR stores.

In 2020, the PENNY sales division in Austria began using glass doors for dairy refrigerated shelves.

Another important factor is the continuous maintenance and professional control of the refrigeration systems. After all, only when the refrigeration systems are operated optimally are they truly energy efficient. As the range of fresh produce and convenience products on offer in the stores increases, so does the

refrigeration requirements, energy-efficient refrigerated display cases will become even more important in the future.

in the future.

## Refrigeration Forum

provides  
for  
regular  
exchange

For the exchange of experiences, the REWE and PENNY sales divisions invite the representatives of refrigeration companies and system suppliers every two years to a to a refrigeration forum every two years. The participants discuss topics such as energy and workshops on topics such as energy optimization or operating and temperature safety.

operating and temperature safety. The Austrian sales divisions

BILLA, MERKUR and PENNY will be awarding an energy efficiency prize for refrigeration

an energy efficiency award for refrigeration companies.

## Measures

for  
reduction  
of the  
electricity consumption

## Measures

Savings in electricity consumption (GWh)

2018

2019

2020

Lighting

Conversion of lighting to LED, optimization

lighting control, reduction of switch-on times

25,8  
23,8  
22,3

#### Cooling

e.g. glazing of shelves for dairy products  
or doors on frozen food cabinets, retrofitting of  
glass doors, optimization/renovation of the  
Plant technology, replacement refrigeration system,  
energy-efficient chests

12,3

14,1

10,6

Improvement of other plant technology  
especially in production

1,0

0,3

4,4

Total savings

39,1

38,2

37,3

1 TJ | 0.2778 GWh, 1 MJ/m<sup>2</sup> | 0.2778 kWh/m<sup>2</sup> (Source: International System of Units (SI))

Scope: REWE Group companies in Germany and Austria including merchants. Not taken into account in the

Lekkerland and units that left the REWE Group in the reporting period in relation to the scope of application.

REWE Group during the reporting period with regard to the scope of application.

The measures implemented by the sales divisions of the REWE Group in Germany and Austria Austria have led to a reduction in electricity consumption of around 37 GWh in 2020.

in 2020. Of all the areas, the use of LED lighting in particular contributes to the savings - at around 22 GWh, it accounts for 60 percent of the total savings. At the refrigeration is responsible for around half of the electricity consumption,

This is why many measures were also implemented in the area of refrigeration technology and to reduce and to reduce cooling losses. In addition, measures were implemented in other areas, e.g. in ventilation and other equipment - especially in the area of production - have an impact.

For measures to save in the area of goods transport and mobility, see the section Logistics

and

Mobility.

REWE Group Sustainability Report 2020

OperationalWaterConsumptionOperationalWaterConsumption

Both at its own locations and in the manufacturing of products in the supply chain REWE Group requires water as a natural resource. Since water is a resource, it must be ensured that it is used sustainably and sparingly. be ensured.



In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with four central pillars: Green Products, energy, climate and environment, employees and social commitment. have been developed. Within the framework of the pillar Energy, Climate and environment pillar, three fields of action have been defined: Energy efficiency, Climate-relevant emissions and resource conservation. The activities relating to water consumption are to be assigned to the Conservation of Resources field of action. REWE Group strives to reduce its water consumption wherever water consumption wherever possible.

GRI  
303:  
Water

#### Management approach

REWE Group uses water in its stores, at its production and warehousing sites, and at its administrative locations. Here, water-saving devices reduce the already low consumption of fresh water, which is mainly used for cleaning processes and sanitary facilities. consumption of fresh water, which is mainly used for cleaning processes and sanitary facilities. sanitary facilities.

A far greater role is played by water withdrawal and disposal in the manufacture of products. Here, REWE Group is involved in its supply chain with product-related

projects in its supply chain (for more information, see also the Water section).

GRI  
303-3:

#### Water withdrawal

REWE Group uses water in its stores, at its production and storage sites, and at its administrative locations. The water supply is - apart from the of some Green Buildings - is almost completely supplied by the public infrastructure. infrastructure. Absolute water consumption fell from around 7.5 million cubic meters in 7.3 million cubic meters in 2020, while specific water consumption fell by 3.7 percent over the same decreased by 3.7 percent over the same period. This decrease is primarily due to the Corona pandemic lower water consumption at DER Touristik.

Water consumption  
of the  
REWE  
Group

Unit  
 2018  
 absolute  
 2019  
 absolute  
 2020  
 absolute  
 absolute  
 Change  
 2019-2020  
 Percent  
 Absolute water consumption  
 1.000 m<sup>3</sup>  
 7.207  
 7.482  
 7.250  
 -232  
 -3,1%  
 Water consumption per square meter  
 (m<sup>3</sup>/m<sup>2</sup>)  
 0,59  
 0,60  
 0,58  
 -0,02  
 -3,7%

Sales area

Scope: REWE Group companies including merchants. Lekkerland was integrated into the scope in the reporting year.  
 Units that left REWE Group in the reporting period in relation to the scope were not included.

## REWE Group Sustainability Report 2020 Climate protection at company levelClimate protection at company level

The climate is massively influenced by human activities - climate change has a strong impact on ecosystems and thus also on the environment.  
 effects on ecosystems and thus also on social life. REWE Group  
 is aware of its responsibility for the climate: A large part of the worldwide CO<sub>2</sub> emissions  
 emissions are generated in the production and consumption of products, in the provision of services  
 services and transport.

In order to integrate sustainability as an integral part of corporate processes, the  
 REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green  
 products, energy, climate and the environment.  
 products, energy, climate and environment, employees and social commitment.  
 have been developed. Within the framework of the pillar Energy,  
 Climate  
 and  
 environment pillar, three fields of  
 fields of action have been defined: Energy efficiency, Climate-relevant emissions and  
 conservation of resources. The activities of REWE Group with regard to climate protection are to be  
 assigned to the  
 climate-relevant emissions field of action.

## Management approach

Saving energy and avoiding climate-damaging emissions are of great importance to REWE Group. REWE Group, which is becoming even more important against the backdrop of rising energy prices. increasing. Challenges for the future lie for REWE Group in particular in the energy consumption while at the same time increasing requirements in the areas of fresh produce and convenience and convenience, which require more transport and more refrigeration.

REWE Group's declared goal is to make a measurable contribution to climate protection and the resources and to keep the impact on the climate and the environment as low as possible. as possible. This is also reflected in the guideline for Sustainable management of the REWE Group's guiding principles for sustainable business.

As early as 2009, REWE Group defined the first climate target for itself and prepared the first climate balance sheet. The scope of the carbon footprint covers the part of the value chain that can be directly can be controlled directly. In concrete terms, this means that the emissions data relate to the process chain from the central warehouses to the production facilities. process chain from the central warehouses to the REWE Group stores, as well as to the travel agencies and the administration. The manufacture and transport of products are not taken into account, nor are product use and disposal by neither the product use and disposal by the customers.

In 2013, REWE Group updated the climate target it had set itself in 2009. the goal of halving greenhouse gas emissions per square meter of sales floor by 2022 compared to 2006. 2006 by 2022. This target was achieved ahead of schedule in the 2020 reporting year.

KPI  
Target  
Status  
Greenhouse gas emissions (CO<sub>2</sub>  
-equivalents) for Germany and  
By 2022 compared to 2006  
-53,6 %  
Austria per square meter of sales area  
halve

The absolute greenhouse gas emissions for Germany and Austria fell from 2.37 million metric tons in the base year 2006 to around 1.76 million metric tons for 2020. tons in the base year 2006 to around 1.76 million tons for the year 2020. This corresponds to a decrease of around 26 percent. The specific greenhouse gas emissions (unit: CO<sub>2</sub> equivalents per square meter of sales area) have fallen by 53.6 percent over this period (see also during this period (see also Intensity

of  
greenhouse gas emissions).

In addition to the overarching climate target, REWE Group has defined further KPIs. These set activities in the area of energy, climate and the environment, which represent significant consumption

and where REWE Group can achieve a direct impact through its own measures.

through its own measures: Energy efficiency (refrigeration and lighting, see also Energy section) and refrigerant-related greenhouse gas emissions. REWE Group has set these targets in Germany and Austria achieved these targets for 2020, as in previous years. For the KPI on electricity consumption per square meter of sales floor, the use of LEDs for lighting, measures for energy-efficient lighting, measures for more energy-efficient refrigeration, and construction and remodeling and conversion measures made a decisive contribution. As part of the energy management system REWE Group is currently working on defining a new target. Specific measures to reduce energy consumption can be found in the Energy section.

New  
climate targets  
of  
REWE  
Group:  
Reduction  
before  
Climate neutrality

With the halving of greenhouse gas emissions per square metre of REWE Group achieved an important milestone in the reduction of its greenhouse Austria, REWE Group reached an important milestone in the year under review in reducing its climate-relevant emissions. It has therefore set itself new targets in 2021: REWE Group is to become climate-neutral by 2040. This will then apply to all countries in which it is active. To achieve this, it wants to reduce its absolute greenhouse gas emissions by the year 2030 by 30 per cent compared with the new 30 percent by 2030 compared to the new base year of 2019. To this end, the REWE Group will continue to consistently implement measures to reduce avoid or reduce greenhouse gas emissions at the corporate level. reduced.

KPI targetReduce absolute greenhouse gas emissions at company levelReduce by 30 per cent by 2030 compared to 2019Climate neutrality at company levelClimate neutrality by 2040.  
Carbon footprint as a monitoring tool

In order to document the progress made towards achieving the climate target and to enable monitoring of the reduction measures, REWE Group has had an annual carbon footprint drawn up by independent experts since 2009. carbon footprint by independent experts every year since 2009. In the reporting period, this was carried out for Germany by INFRAS AG and for Austria by denkstatt GmbH. The results of the carbon footprint show not only the savings achieved, but also the fundamental levers

levers that the company has at its disposal. According to the results, the biggest polluters are the consumption of electricity and heat as well as the refrigerants used in the cooling systems (for information on the energy-related

energy-related measures, see also the Energy section).

Greenhouse gas emissions were calculated in accordance with the GHG Protocol. For CO<sub>2</sub> equivalent emission factors were determined - as in previous years - using data from the data from the GEMIS material flow analysis model, the TREMOD transport emission model and the life cycle analysis database Ecoinvent.

#### Promoting the use of alternative energies

As early as the beginning of 2008, the electricity procurement for stores, warehouses and travel agencies in Germany and Austria to certified green electricity. This is supplied via the Hamburg-based Energie-Handels-Gesellschaft (EHA), a wholly owned subsidiary of the REWE Group company. REWE Group Germany's green electricity meets the requirements of the TÜV SÜD according to label EE01. In accordance with the convention of the German Federal Environment Agency

of the German Federal Environmental Agency, which is intended to promote the expansion of electricity REWE Group only takes into account the share of new plants in the balance sheet for its greenhouse gas emissions in Germany.

Germany, REWE Group only counts the share of new plants in accordance with the EE01 label as an (approx. 25 percent). In 2020, 89.7 per cent of the green electricity procured via EHA was generated from

hydropower, 4 per cent from wind power and 6.3 per cent from photovoltaics.

In addition, REWE Group uses photovoltaics and other types of regenerative generation for the energy generation. Photovoltaic systems are used at administrative locations, warehouses and, in suitable locations, photovoltaic systems are also used at stores (especially Green Building stores). At the end of 2020, REWE Group operated photovoltaic systems at a total of 53 locations in Germany with a potential system output of 16,699 kWp.

#### Reduce refrigerant-related greenhouse gas emissions.

Greenhouse gas emissions from refrigeration systems depend primarily on the refrigerants used. refrigerants used. In order to reduce emissions, REWE Group decided at an early stage to use to use refrigerants that are as climate-friendly as possible. To reduce refrigerant-related greenhouse gas emissions, REWE Group has defined the following KPI and associated target:

KPI  
Target  
Status  
Refrigerant-related greenhouse gas emissions per square meter of sales floor area (in kg CO<sub>2</sub>-equivalents/m<sup>2</sup>) in Germany and  
Reduction by 35 % between  
2012 and 2022  
-46,7 %  
Austria

As a result of the 46.7 per cent reduction achieved, REWE Group in Germany and Austria has achieved the target value for 2022 as it did in 2019. In the process, the use of more climate-friendly refrigerants contributed significantly to the achievement of the target. These are increasingly also natural refrigerants such as CO2 or propane and refrigerants with a lower greenhouse gas potential.

As part of REWE Group's sustainability strategy, all interconnected commercial refrigeration systems in the REWE and PENNY refrigeration systems in new buildings and most refurbishments at REWE and PENNY stores are equipped with the natural refrigerant CO2. Plug-in refrigeration units, which will be installed in all new buildings and conversions in the stores will be equipped with the natural refrigerant propane (R290).

GRI  
305-1,  
305-2,  
305-3:

Greenhouse gas emissions  
Scope  
1-3  
(metric tons  
CO2equivalents)

Greenhouse gas emissions Scope 1-3 (metric tons of CO2 equivalents)

Change  
2006  
2018  
2019  
2020  
2006-2020

Scope 1: Direct greenhouse gas emissions (GRI 305-1)759995681020698169663872-13 %.  
Scope 21: Indirect energy-related greenhouse gas emissions(GRI 305-2)  
13430271070009940980725919-46 %  
Scope 3: Other indirect greenhouse gas emissions(GRI 305-3)27085532290131757636936436 %  
Treibhausgasemissionen insgesamt2373877207392919567251759155-26 %  
Scope: REWE Group companies in Germany and Austria including merchandisers. In the 2020 reporting year, Lekkerland was integrated into the scope and the data for 2019 was adjusted retroactively. Units that were excluded from the scope of consolidation in the reporting period with regard to the scope of REWE Group were not taken into account.

1 The green electricity for REWE Group companies in Germany meets the requirement of TÜV SÜD according to label EE01. In accordance with the Convention of the German Federal Environmental Agency on the crediting of green electricity, which is

intended to promote the expansion of electricity  
REWE Group only takes into account the share of new plants in accordance with the EE01 label when calculating its greenhouse gas emissions in Germany.  
the EE01 label (approx. 25 per cent).

GRI  
305-4:

Intensity  
of  
greenhouse gas emissions

Both the absolute and the specific greenhouse gas emissions (per square meter of sales floor area) of REWE Group decreased over the reporting period. The specific greenhouse gas emissions in 2020 were 162 kilograms of CO2 equivalents per square meter and were reduced by 53.6 percent compared to the base year 2006. The calculation of emissions intensity includes direct, indirect energy-related and other indirect emissions

(Scopes 1, 2 and 3).
Greenhouse gas emissions1
Unit
2006
2018
2019
2020
Absolute greenhouse gas emissions
t CO2
-equivalents
2.373.877
2.073.929
1.956.725
1.759.155
Specific greenhouse gas emissions
per square meter of sales area
kg CO2
-equivalents/m2
350
194
181
162
Savings achieved by
%
-44,5 %
-48,3 %
-53,6 %
specific
greenhouse gas emissions compared to
base year 2006

Scope: REWE Group companies in Germany and Austria including merchandisers. In the reporting year 2020  
Lekkerland was integrated into the scope and the data for 2019 was adjusted retroactively. Units that were included in the reporting period with regard to the scope of REWE Group were not taken into account.

1

The green electricity for REWE Group companies in Germany meets the requirement of TÜV SÜD according to label EE01. In accordance with the Convention of the German Federal Environmental Agency on the crediting of green electricity, which is intended to promote the expansion of electricity REWE Group only takes into account the share of new plants in the balance sheet for its greenhouse gas emissions in Germany. according to the EE01 label (approx. 25 percent).

The greenhouse gas emissions of REWE Group in 2020 are made up as follows:

Share of greenhouse gas emissions by polluter group (Scope 1-3) in 2020.

Strom869030Wärme278167Kältemittel232125Logistik310779Dienstreisen47960Papier178410  
Scope: REWE Group companies in Germany and Austria including merchants. Units were not taken into account, which left REWE Group in the reporting period in relation to the scope of application.

GRI  
305-5:

Reduction  
of  
greenhouse gas emissions

REWE Group has taken various measures to save electricity, which lead to a reduction in greenhouse gas emissions. As a result of these measures, in 2020 approximately 8,533 metric tons of CO2 equivalents were saved.

Measures  
for  
reduction  
the  
CO<sub>2</sub> emissions<sup>1</sup>

Savings CO<sub>2</sub>  
-equivalents (t)

Measures

2018  
2019  
2020

Lighting  
8.123  
6.670  
5.203  
Conversion of lighting to LED, optimization



lighting control, reduction of switch-on times

Cooling  
3.242  
3.621  
2.141

e.g. glazing of shelves for dairy products or doors on  
refrigeration cabinets, retrofitting of glass doors, optimization/renovation of  
of plant technology, replacement of refrigeration system, energy-efficient  
Chests

Improving the technology of other equipment, ventilation systems and  
373  
76

1.188  
IT infrastructure

Total  
11.738  
10.366  
8.533

Scope: REWE Group companies in Germany and Austria including merchants. Not  
Lekkerland and units that left the REWE Group during the reporting period were not taken into account.  
units that left REWE Group in the reporting period in relation to the scope.

1  
The basis for the calculation is the initiatives to save electricity surveyed for GRI 302-4.

GRI  
305-6:

Emissions  
ozone-depleting  
Substances  
(ODS)

In recent years, REWE Group has consistently reduced the use of ozone-depleting refrigerants

by around 99 percent since 2006. This is primarily due to the legally

the statutory conversion of the refrigerant R22 to non-ozone-depleting refrigerants.

refrigerants. In 2020, the value of emissions from ozone-depleting substances from

refilled refrigerants was 3 kilograms of CFC-11 equivalents.

Emissions

from  
ozone-depleting  
substances  
According to  
Weight  
(kg)

Unit  
2018  
2019  
2020

Emissions of ozone-depleting substances from  
kg CFC-11-11  
9  
3  
total refilled refrigerants  
Equivalent

Scope: REWE Group companies in Germany and Austria including merchants. Not included were  
Units that left REWE Group in the reporting period in relation to the scope of application.

GRI  
305-7:

Nitrogen oxides  
(NOx),  
Sulfur oxides  
(SOx)  
and  
other  
significant  
air emissions

The air pollutants that are attributable to the business activities of REWE Group,  
are primarily generated in the upstream combustion and production processes used for the  
production of electricity, heat and paper. In addition, emissions from  
refrigerants, logistics and business travel that have an impact on air emissions.

Air pollutant emissions  
including  
upstream chains  
(t)

2018  
2019  
2020

NOx  
2.821  
2.694

2.439

SO<sub>x</sub>

1.528

1.401

1.256

Fine dust (particles <10 µm)

173

162

176

Non-methane volatile organic compounds

431

438

498

Scope: REWE Group companies in Germany and Austria including merchants. In the reporting year 2020 Lekkerland was integrated into the scope and the data for 2019 was adjusted retroactively. Units that were included in the REWE Group in the reporting period in relation to the scope of application were not taken into account.

## REWE Group Sustainability Report 2020 WasteWaste

Various types of waste are generated in the course of REWE Group's business activities. In this context, the proper recycling of unavoidable waste is an important concern of the trading company in order to conserve valuable resources.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and the environment. products, energy, climate and environment, employees and social commitment. have been developed. Within the framework of the pillar Energy, Climate and environment pillar, three fields of fields of action have been defined: Energy efficiency, Climate-relevant emissions and resource conservation. The activities relating to waste management are to be assigned to the Resource conservation field of action. REWE Group pursues the goal of recycling waste wherever possible in order to recycled wherever possible in order to save resources.

GRI

306-1:

Waste generated

waste

and

significant

waste-related

Impact

GRI

306-2:  
Management  
significant  
waste-related  
Impacts

Management approach

When dealing with waste and recyclable materials, REWE Group, together with its waste management partners, REWE Group consistently pursues the goal of recycling. In particular, the recyclable materials generated in logistics in particular are largely collected by type and can thus be optimally recycled in an optimal manner.

This is particularly evident in the case of non-hazardous waste, which is not only recycled to a high proportion of which is not only recycled overall, but is also largely recycled. In the year under review

year, this rate was around 94 percent. The paper, cardboard and cardboard packaging (PPK) fraction is almost completely recycled, paper, cardboard and cardboard packaging (PPK), which accounts for the largest proportion of the total of the total waste generated. PPK is an important raw material for the paper industry, since the recycled fibers can be used to produce paper and cardboard again. But also for plastics, metals, glass and waste from the markets, the majority is recycled. The organic waste from the food stores is fed into suitable biogas plants and converted and converted into electricity and heat.

Avoidance  
from  
Food Waste

REWE Group strives to reduce food waste to a minimum. to a minimum. Modern forecasting systems and automated automated ordering processes in conjunction with short transport routes and refrigeration contribute to supplying the stores in line with demand, so that the markets, so that the proportion of unsold goods is kept low. An important role in the correct assessment of demand is also played by the commercial the commercial experience of employees, for whom REWE Group offers regular training on this topic. Group offers regular training on this topic. For information REWE Group's commitment to the avoidance of food food waste see section Projects and sponsorships.

GRI  
306-3:

Waste generated  
Waste

The amount of non-hazardous waste generated within the Group in Germany and

Austria amounted to around 752,000 metric tons in 2020. This represents an increase of 8.4 percent compared to the percent. This can be attributed to the increased business activities of the REWE Group's business activities as a result of the Corona pandemic and can be seen above all in the significant increase in the Paper, cardboard and cardboard packaging at the logistics locations. The hazardous waste, which includes above all certain used electrical appliances, oils, vehicle batteries and fluorescent tubes, accounted for only a very small proportion of total waste in previous years, significantly less than one percent. of the total waste. A significant increase in the volume of hazardous waste is not expected. expected. Due to the high level of effort involved in recording this waste, it is therefore no longer reported separately in the therefore no longer shown separately in the Sustainability Report.

Non-hazardous waste - absolute volume (t)

2018  
2019  
2020  
Absolute volume (t)  
682080  
694032  
752348

Non-hazardous waste - specific waste generation per square meter of sales area (kg/m²)

2018  
2019  
2020

Specific waste generation (kg/m²)

88.8  
91.6

Non-hazardous waste - percentage generation by waste type

Waste for recycling  
10.4%  
Organics  
19.8%  
PPK (paper and cardboard)  
45.7%  
Plastics  
12.1%  
Residual waste  
5.7%  
Other (including wood, metals, construction waste)  
6.3%

Scope: REWE Group companies in Germany and Austria excluding merchants (share increasing). Not taken into account waste from Lekkerland and from the units that left the REWE Group in the reporting period in relation to the scope of application. REWE Group during the reporting period.

The transportation of goods results in fuel consumption - whether by transporting the goods from production to the warehouses, from the warehouse to the store or, in the case of online orders, through delivery to customers. This consumption is reflected in energy consumption as well as in the emissions. For this reason, REWE Group is striving to reduce fuel consumption in areas where it has a major influence. In addition, the company is committed to making the mobility of its employees as emission-free as possible.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and the environment. Within the framework of the pillar Energy, Climate and environment, three fields of action were defined: Energy Efficiency, Climate-Related Emissions and Resource Conservation. The measures in the area of logistics and mobility are to be assigned to the fields of action Climate-relevant emissions.

In 2019, the issue of air pollutants for REWE Group's logistics in Germany has become a priority. has become even more important for REWE Group's logistics operations in Germany due to the ban on diesel vehicles in gained in importance. Taking into account the entry restriction applicable to the individual city or municipality, deliveries to the stores and branches concerned were facilitated by means of the tour scheduling system and, in particular, by selecting the most suitable type of vehicle in each case.

Measures  
at  
area  
Logistics  
and  
Goods Transport

REWE Group Logistics primarily ensures that the stores are always supplied as needed. are supplied. A complex transport and storage system ensures the availability, quality and freshness of the freshness of the products. At the same time, REWE Group has the goal of reducing fuel consumption and the greenhouse gas emissions caused by logistics as low as possible. In order to REWE Group is working on the following levers to achieve this goal: the strategic reduction distance between warehouse and store locations, a high utilization of vehicle capacity, and reduction of emissions per kilometer through differentiated logistics concepts as well as the use of efficient vehicle technology and adapted driving behavior.

Fuel consumption for trucks and cars increased from 1,219 GWh in 2019 to 1,324 GWh in the reporting year. This is mainly attributable to the inclusion of Lekkerland in the scope of consolidation.

Fuel consumption  
of the  
REWE  
Group  
(in  
GWh)

Unit  
2018  
2019  
2020  
Fuels (truck/car)  
GWh  
1.132  
1.219  
1.324  
Share of fuel consumption (trucks/passenger cars) in  
Percent  
16,1%  
17,4%  
19,3%  
Energy consumption of REWE Group

Scope: REWE Group including the merchandisers. Lekkerland was integrated into the scope in the reporting year. Not taken into account were units that left REWE Group, and a retroactive adjustment of the data took place.

Transport-related emissions accounted for around 16 per cent of the total greenhouse gas emissions of the REWE Group's total greenhouse gas emissions in Germany is around 16 per cent and in Austria around 18 per cent. For REWE Group as a whole, the share of greenhouse gas emissions caused by logistics is around 16 per cent. The absolute increases in greenhouse gas emissions in the 2020 reporting year is around 16 per cent. The absolute increases in 2019 and 2020 are due to the integration of Lekkerland into the scope of consolidation. In addition, the percentage increase is also due to the reduction in the REWE Group's overall energy consumption (for further information, see the Energy section).

Greenhouse gas emissions<sup>1</sup>  
of  
Logistics  
(incl.  
external  
forwarding logistics)

Unit  
2018  
2019  
2020  
Absolute greenhouse gas emissions from logistics  
t CO<sub>2</sub>  
-equivalents  
251.866  
281.128  
285.304  
Share of logistics in total

Percent  
12,1 %  
14,4 %  
16,2 %  
Greenhouse gas emissions of REWE Group

Scope: REWE Group companies in Germany and Austria including merchants. In the reporting year 2020 Lekkerland was integrated into the scope and the data for 2019 was adjusted retroactively. Units that were not included in the reporting period with regard to the scope of REWE Group were not taken into account.

1 The calculation of emissions intensity includes direct, indirect energy-related and other indirect emissions (Scope 1, 2 and 3). For further information, see also Climate protection at company level.

## Warehouse network structure

REWE Group continued to optimize its warehouse network in 2020. This includes the commissioning of the new PENNY warehouse in Kronau, the reconstruction of the warehouse in Lahr warehouse location and its transfer from PENNY to REWE, as well as the reconstruction of the PENNY warehouse location in Wiesloch. Due to the constant further development of the logistics network of the REWE Group's logistics network, the average tour length is continuously decreasing. Germany was 2.5 kilometers less than in 2019. In addition to the improvements in the warehouse network, forecasting processes and route planning are also constantly being optimized. For example, in 2020, as in the previous year, vehicle utilization of the entire truck fleet was over 90 percent of the vehicle capacity in use. The utilization of the trucks traveling from the head warehouses to the regional sites was as high as 96 percent in the year under review. Compared with the previous year, this is an improvement of two percentage points.

New  
roll containers:  
more  
efficiency  
at  
the  
goods delivery

With the introduction of the new roll container in the full-range store in 2020 REWE Group has further developed the primary transport aid for the for transporting goods to the stores in order to meet increased requirements. requirements. Thanks to the side rails, which are 15 percent higher compared to the predecessor, the capacity utilization of the roll containers and therefore of the trucks is significantly increased. In addition to this increase in efficiency, the the development of the new system was focused on ease of handling for employees. The new roll container can be used for a wide range of applications and can be quickly dismantled for space-saving intermediate storage and return to the back to the warehouse locations. PENNY also pressed ahead with the further development of the roll containers in the year under review by adding higher existing base plates by adding higher side rails. This enabled



significantly increased capacity utilization: in 2020, around nine million fewer transport kilometers than in 2019. Around three million liters of fuel have already been saved in this way.

## Vehicle technology and alternative drives

In order to further reduce emissions from its vehicle fleet, REWE Group is continuously renewing its vehicle fleet. continuously. To this end, the company once again increased investments in its truck fleet in 2020. once again. Older vehicles with lower emission classes were replaced to a greater extent with new replaced by new Euro 6 vehicles. The proportion of vehicles complying with the Euro 6 emission standard was standard was 68 percent in Germany and 78 percent in Austria at the end of 2020. Austria (based on the total number of trucks owned). In addition, the average fuel consumption per 100 kilometers fell by 3.4 percent in Germany.

The testing of alternative drive technologies for their usability, practicability and practicality and cost-effectiveness is also a key pillar of REWE Group's sustainability efforts. sustainability efforts. In REWE's Central Region, natural gas-powered trucks are an integral part of the fleet. part of the fleet. The number of these CNG (Compressed Natural Gas, (compressed natural gas) trucks was increased to eleven in 2020, and the acquisition of additional CNG of further CNG vehicles is planned for 2021. In addition to this, national long-distance transport between the and regional warehouses, seven vehicles running on liquefied natural gas (LNG) are in operation.

vehicles in operation. REWE International AG is also working with alternative drive systems. drive options: At the end of 2020, for example, there were three diesel hybrid trucks and seven natural gas-powered trucks in operation. Since September 2018, an all-electric truck has also been supplying powered truck has been supplying retail companies in the Vienna metropolitan area since September 2018.

However, the supply of corresponding vehicles, especially in the 40-ton range, is still hardly available on the market, if at all. Even for individual test vehicles, the vehicles and the corresponding refueling and charging infrastructure is still very limited. limited.

For many years, REWE International AG has been committed to the Council Sustainable Logistics (CNL). As part of this partnership, the e-truck was developed and put into operation. In addition, REWE International AG is participating in the MEGAWATT-LOGISTICS project of the University of Natural Resources and Applied Life Sciences Vienna. The aim is to find solutions to the challenges of switching to electric trucks. conversion to electric trucks.

## Delivery to customers

REWE Group is developing new concepts for efficient delivery to its customers as part of the REWE delivery service.

REWE Group is working on new concepts for efficient deliveries to its customers as part of the REWE delivery service.

traffic volume and the resulting traffic jams or driving bans. One approach is the delivery with bicycles and cargo trailers. Together with the start-up NÜWIEL from Hamburg, REWE Group has developed a cargo bike trailer for this purpose. The trailer has its own motor and is therefore independent of the type of bicycle. In this way, customers can now make deliveries via two bicycle hubs in Cologne, a hub in Hamburg and directly via the central Food Fulfillment Center (FFC) in Berlin. by around 60 drivers via the central Food Fulfillment Center (FFC) in Berlin.

Another concept for the delivery service of REWE Group is the use of electric transporters from the company StreetScooter company. An initial pilot project has already been successfully carried out - but there is currently no however, no chassis with sufficient loading volume is currently available.

Turning assistants  
for  
more  
safety  
in  
road traffic

Within the framework of the safety partnership with the Ministry of Transport, REWE Group has been equipping all new vehicles in the all new vehicles purchased by REWE and PENNY in their own fleets in Germany. in Germany have been equipped with a turn-off assistant. In addition, all newer Euro 6 vehicles will be retrofitted accordingly. By the end of 2020, a total of more than 400 trucks will have been retrofitted with appropriate assistance systems or have been added to the fleet as new vehicles equipped with these systems. new vehicles in the fleet. At the end of the reporting year more than half of the company's own fleet in Germany had been retrofitted. By REWE Group intends to have 85 per cent of its fleet equipped with a equipped with a turn-off assistant. With this voluntary commitment, REWE Group is sending out a clear signal for more safety in road traffic. The turn-off assistant recognizes road users in the immediate vicinity of the vehicle and alerts the driver to the driver's attention acoustically or visually. Thus pedestrians, cyclists and all other road users from the often other road users can be protected from the often fatal turning accidents. accidents.

Due to its business model, REWE Group's logistics mainly transports foodstuffs. foodstuffs. This means that in the event of a transport accident, the goods to be transported pose a low risk of of the release of chemicals or other hazardous substances. Should there be accidents occur in logistics, they are recorded and tracked at the logistics sites. tracked at the logistics sites. To avoid serious accidents wherever possible, all drivers undergo regular drivers undergo regular driver safety training.

Mobility  
from  
employees

and  
customers

Energy is also consumed and emissions are produced when employees travel to work. REWE Group is working on making these journeys more emission-free as well.

For example, REWE Group offers employees, especially in metropolitan areas, an inexpensive low-cost job ticket for the use of local public transport. Eligible employees of REWE Group have the option of having the option of using their mobility budgets individually - for example, they can select a car model and use the amount saved for a higher pension model for their retirement. Users of electric vehicles receive a monthly bonus in addition to their mobility budget a monthly bonus of 100 to 150 euros. For hybrid vehicles the monthly allowance is 50 euros. At its locations in Cologne, REWE Group also already has already has 34 charging points at its locations in Cologne, where employees can obtain electricity for their vehicles.

To promote mobility by bicycle, all employees of REWE Group in Germany have been able to purchase a company bicycle. Germany have been able to purchase a company bicycle since 2016 as part of a deferred compensation model. which can be used for commuting to work as well as during leisure time. Since then employees have purchased over 6,200 bikes.

Electromobility  
drive forward  
through  
the  
provision  
of  
electric charging stations

REWE Group is contributing to the expansion of the charging infrastructure for electric mobility and equips the parking lots of new stores that have been built according to the Green Building concept with an electric charging station. At the end of 2020, there were charging stations at 130 stores in Germany and 55 stores in Austria and 83 in the CEE countries. REWE Group is constantly on the lookout for partners whose business model is directly affected by electromobility. directly affected by electromobility - i.e., car manufacturers, energy suppliers providers who can contribute to a functioning and comprehensive charging nationwide charging infrastructure network. In this context, REWE Group is in contact with regional providers as well as with national providers. providers.

REWE Group Sustainability Report 2020  
GreenBuildingGreenBuilding

REWE Group operates stores throughout Germany and Austria. In the operation of the stores energy and other resources are used every day. Systematically reducing this consumption and making the buildings more sustainable is a particular concern for the company. concern.

In order to integrate sustainability as an integral part of its corporate processes, the REWE Group has developed a comprehensive sustainability strategy with four central pillars: Green Products, energy, climate and environment, employees and social commitment. Within the framework of the pillar Energy, Climate and environment pillar, three fields of action have been defined: Energy efficiency, Climate-relevant emissions and resource conservation. The activities relating to green buildings are assigned to the fields of action Energy efficiency and Conservation of resources. REWE Group is pursuing the goal of reducing energy and resource consumption of the stores through the Green Building concept.

RG1:  
Green  
Building

Management approach

"More sustainable products belong in more sustainable markets." With this conviction, the REWE Group began in 2008 with the development of a new generation of supermarkets which sustainability for customers and employees alike and makes a measurable contribution to sustainable development. REWE Group's Green Building concept combines modern architecture with energy-efficient technologies and the use of regenerative of renewable energies. In this way, the primary energy requirement could be reduced by up to

by up to 40 percent compared to conventional stores. With the successful REWE Group's successful implementation of the Green Building concept demonstrates that building and operating of more sustainable retail properties make ecological and economic sense. Since REWE Group often operates its stores as rental properties, investors and landlords usually have to landlords must be won over for the more sustainable building concept. The most convincing criteria such as value retention, flexibility of use and the economic construction costs of this the economic construction costs of this now tried-and-tested building concept. Evidence of the positive response from customers is evidenced by the above-average customer frequency and the associated and the associated increase in sales.

Green  
Building  
the  
next  
generation

In May 2021, the first REWE pilot store opened in Wiesbaden with a new Green Building concept. The pilot store is not a further development of the previous Green Buildings, but was deliberately developed from scratch. The building is characterized by a number of special features. For example, an "urban farming" area the roof of the market is an "urban farming" area: the combination of basil and basil and fish farming thrives on a closed cycle. The

the fish fertilize the plants, which are also supplied with rainwater. plants are also supplied with rainwater. In this way, resource consumption can be reduced and healthy breeding of plants and fish can be ensured. The production supplies basil and fresh fish to most of the markets in the region. and fresh fish.

With regard to the use of sustainable materials, the roof and support structure in wood stack construction is an important building block. The wood is left completely visible and not chemically treated. Built European softwood from certified forestry was used, and for the weathered external certified larch for the weathered exterior columns. The structure is innovative as a load-bearing structure, and the vault-like structure gives the salesroom a special shopping atmosphere. A another special feature of the wood stack construction is that it can be used in the concept through the modularization of the individual elements. elements, it will be much faster and easier to build than conventional constructions. will be built. In addition, this concept means that more wood is used in the building structure and thus more CO2 is permanently stored.

The store's glass front and rear facades ensure optimal views for customers. and views for customers, employees and the surrounding area. In addition excellent use of daylight, which is also available via a large atrium in the store. which is additionally brought into the sales area via a large atrium. Outside, an innovative parking layout reduces the sealed area without sacrificing parking spaces. area without sacrificing parking spaces. This provides space for a good 1,000 m<sup>2</sup> of of planting area, which will be planted with meadow, perennials and numerous trees in a natural numerous trees. For a holistic concept, the market will focus on regional and fresh products.

For the pilot store in Wiesbaden-Erbenheim, REWE Group is aiming for the platinum certificate from the DGNB. It will also serve as a template for the future model building specifications and a new multiple certificate from the DGNB. In this way different derivations in the future - from freestanding stores to suburban to suburban and urban sites. The new concept is to successively replace the previous Green Building concept for new buildings.

## Elements of the Green Building concept

In detail, the concept contains the following elements which, depending on the general conditions at the implemented at the various locations:

1.

Daylight architecture: A window light strip on up to four sides of the building as well as additional roof light domes allow the use of natural light, which is provided by an energy-efficient energy-efficient LED lighting concept. The natural incidence of light also contributes also contributes significantly to a higher quality of stay for customers and employees. employees.

2.

Ecological building materials: The characteristic supporting structure of a Green Building is made of wood, a renewable raw material, as is the main facade and in many cases the roof shell. and in many cases the roof shell. Environmentally compatible and recyclable building materials are also used in the recyclable building materials.

3.

Renewable energy: The Green Building stores, like all other REWE Group stores, warehouses and travel agencies of REWE Group are supplied with 100 per cent certified green electricity. Where photovoltaic systems are installed where it makes sense to do so.

4.

Heat supply: Fossil fuels are used to supply heat through the use of heat pumps and waste heat and the use of waste heat from the refrigeration plants.

5.

Rainwater utilization: For floor cleaning, toilet flushing and outdoor irrigation, rainwater is collected in collecting tanks wherever possible.

6.

Refrigeration technology and refrigeration units: The natural refrigerant CO<sub>2</sub> is used for refrigeration and refrigerant CO<sub>2</sub> is used for normal and deep-freeze refrigeration units and the natural refrigerant propene is used. Buffer storage units are used for heat recovery, glazed wall-mounted refrigerated display cases for meat and dairy products allow less cold to escape. The energy efficiency of the refrigerated display cases is also enhanced by integrated LED lighting, energy-saving fans and the elimination of window heaters for frozen food cabinets.

7.

Socio-cultural factors: Green Building stores are largely barrier-free and equipped with handicapped toilets and baby changing facilities. In addition, factors such as visual comfort, indoor air quality and bicycle parking near the entrance are also taken into account.

Certification  
through  
the  
German  
Society  
for  
Sustainable  
Building

In 2013, REWE Group decided that in the future it would in principle carry out all new construction projects and all new leases in Germany in accordance with the Green Building Building concept, insofar as the framework conditions permit.

The REWE, PENNY, and toom Baumarkt sales divisions have been awarded multiple "Gold" \* certifications by the German Sustainable Building for Sustainable Building (DGNB e.V.). New buildings are therefore built in accordance with the Green Building concept and the DGNB's criteria for sustainable construction. are implemented. By incorporating the DGNB criteria into the the building specifications of the sales divisions, these requirements also apply explicitly also apply to the rental properties of REWE Group. At the end of 2020, the total number of buildings completed in accordance with the Green Building criteria was criteria amounted to 275 and, in addition, 115 Green Buildings are still in the construction or planning phase.

The DGNB seal of approval evaluates various qualities of a building.

In addition to ecological aspects, these also include the sequence of the process and sociocultural factors of well-being, such as visual comfort, spatial such as visual comfort, indoor air quality, bicycle parking or customer toilets. customer toilets. The multiple certification of the building specification facilitates the certification process considerably, as the overall concept has already been subject has already been subjected to a thorough review. This is essential for the fast and cost-efficient implementation of green building markets. prerequisite.

\* Corresponds to the current classification after the amendment of the criteria by the DGNB in 2015.  
RG1-1:

Number  
of  
markets,

which  
meet the  
requirements  
of the  
DGNB

e.V.  
(Green  
Building)  
comply.  
Completed  
markets  
According to  
requirement  
of the  
DGNB  
e.V.  
(Green  
Building),  
Status  
End  
of the  
respective  
Reporting year

REWE  
2018  
2019  
2020

144  
179  
209  
25  
39  
51  
toom DIY store  
13  
13  
14  
111

PENNY  
Warehouse  
Total  
183  
232  
275

REWE Group Sustainability Report 2020  
EmployeesEmployees

REWE Group faces a variety of challenges in terms of personnel policy. Due to demographic

demographic development, the proportion of older employees is rising steadily, and there is an increasing shortage of trainees and skilled workers. In addition the world of work will change as a result of globalization and digitization - accompanied by technological change, a shift in cultural values and increasing individualization. In the future, work will be more digital, networked and more flexible. Structural change means that a large proportion of jobs in the future will differ from today's professions (source: BMAS: Digitalisierte Arbeitswelt 2019).

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of Green products, energy, climate and environment, employees and social commitment. Within the framework of the Employees pillar, REWE Group is working systematically to, future, attracting talented employees and retaining them at the company in the long term. To achieve this, the company relies on strategic human resources management - with employee-oriented work concepts, safe working conditions, tailor-made further education training opportunities and appreciation for each individual.

## Strategic approach

Committed and qualified employees play a key role in the success of the company. The promotion of satisfaction, performance and productivity is central to the REWE Group's central. In order to ensure this in view of the size and diversity of the company, a strong cohesion of all employees is essential. strong cohesion among all employees is essential. In addition, various factors

factors also play a role - these include fair pay, extended company benefits beyond the collectively agreed wage, flexible working time models that can be adapted to the respective needs of the employees, and individual offers that facilitate the work-life balance. work and private life. REWE Group cultivates a corporate culture that is characterized by trust and respect between employees, customers and business partners. The company strives to create a diverse employee structure and to employees regardless of gender, age, religion, origin, sexual identity or disability. disability, and to provide equal opportunities for all employees. equal opportunities.

## Fields of action

The following areas of action have been identified for the Employee:Inside pillar: Values and Culture, training and development, health and safety, career and life phases, and diversity and equal and equal opportunities. Steering across all fields of action is the responsibility of the The steering of all areas of action is the responsibility of the "Employees:Inside" working group, which is chaired by Dr. Daniela Büchel (Vice President Retail Germany - HR and Sustainability).

## Goals and Key Performance Indicators (KPIs)



In order to make its progress measurable in the Employee:In pillar, REWE Group has defined KPIs and associated targets. These were updated at the beginning of 2020 with regard to the target horizon.

KPI  
Apprenticeship ratio (share of  
of trainees to  
total workforce in full-time  
equivalent)  
Target  
Maintain at 5.4% by 2025  
Status  
5,3 %  
Measures  
See section on education and  
Training  
Internal staffing of  
management positions  
Increase to 80.0% by 2025  
72,4 %

Gender ratio in  
By 2025, a balanced  
45.6% female, 54.4  
See section on diversity  
and  
Leadership Positions  
Gender ratio in  
male  
Equal opportunities  
Achieving leadership positions

Accidents per 1,000 Full Time  
Equivalents  
By 2025, reduce the number of accidents  
per 1,000 FTEs to 43.5  
46,5  
See section  
Occupational safety  
and  
Health management  
Disability rate by headcount\*  
By 2025, at least at the  
Maintain level of 3.0%\*  
3,0 %  
See section on diversity  
and  
Equal Opportunity

\* The disability rate is calculated on a per capita basis and thus has a different calculation basis than the mandatory employment rate of severely disabled persons in accordance with Section 154 of the German Social Code IX (Germany). The calculation of the disability quota by headcount was chosen in order to

to be able to determine a uniform figure across all countries (Germany and Austria). The definition of people with disability is made according to Social Code (SGB) § 2 (Germany) and Disability Employment Act (BEinstG) (Austria).  
UN  
Sustainable  
Development  
Goals

During the reporting period, REWE Group aligned its sustainability strategy with the Sustainable Development Goals (SDGs) and identified and prioritized the SDGs that are relevant for it (see Strategy section).  
prioritized (see Strategy section). One of the highest rated SDGs falls within the Employees:inside pillar's area of responsibility: Good jobs and economic growth (SDG 8).

Reporting

In the GRI report, all approaches, data and topics of the Employees:Inside pillar can be found:

- 

Employee-employer relationship

- 

Occupational safety  
and  
Health Management

- 

Training and  
Continuing Education

- 

Occupation  
and  
Life Phases

- 

Equal treatment

-

REWE Group Sustainability Report 2020  
Work and Life Phases

Demographic change as well as developments in digitalization and globalization are changing the working world of work and present companies with new challenges. Committed and satisfied employees are the basis for long-term economic success. Promoting and retaining them is more important today than ever before.

In order to integrate sustainability as an integral part of the company's processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and environment, employees and social commitment. In addition, five fields of action have been defined within the framework of the Employees pillar defined: Values and culture, training and development, health and safety, career and life phases, and life phases, and diversity and equal opportunities.

Corona pandemic:  
Challenges  
together  
together

The Corona pandemic presented REWE Group employees with special challenges. The sales and logistics employees at REWE and PENNY were exposed to high levels of stress. To express their appreciation and REWE Group has taken measures such as awarding special payments or goods and Awarding special payments or merchandise and travel vouchers.

During the challenging time, it was of high importance to the company, to secure jobs, allay fears and strengthen cohesion in these difficult times. Also against the background that the employees at DER Touristik and toom Baumarkt were temporarily on short-time working. By redistributing tasks, it was possible to the different difficulties of the individual companies could be alleviated to a certain extent: For example employees from toom Baumarkt, DER Touristik, and from the head office helped out at the REWE and PENNY sales divisions. Because here support was urgently needed. Despite all efforts, however, jobs had to be cut at DER Touristik also had to cut jobs - the ongoing effects of the pandemic were too effects of the pandemic were too great.

## Management Approach

REWE Group creates an attractive and fair working environment for its employees. This fair remuneration, additional company benefits above and beyond the collectively agreed wage, flexible flexible working time models that are adapted to the respective needs of the employees, and individual and individual offers that make it easier to reconcile work and private life.

REWE Group welcomes the statutory minimum wage introduced in Germany in 2014. minimum wage introduced in Germany in 2014 and always supports the annual adjustments. At REWE Group, this applies to and marginal employees; abroad, the company is guided by the collective bargaining tariffs of the respective country. When using external companies, the companies of the REWE

Group companies pay attention to compliance with minimum social standards. Since 2011, REWE Group has been applying the Group guideline on the deployment of external staff" has been in force at the national level since 2011. This applies both to the cooperation with temporary employment agencies as well as for the use of external staff within the framework of within the framework of contracts for work and services. According to this policy, only contractors who guarantee that their employees will be subject to minimum social standards and any and any collectively agreed minimum wages as well as the statutory minimum wage. To ensure that the contractual partners respect these standards, REWE Group has has developed an auditing procedure in cooperation with TÜV Rheinland, which TÜV Rheinland Rheinland carries out. The audits are carried out, for example, in the areas of merchandise clearance, picking and cleaning staff.

Certification  
through  
the  
audit  
berufundfamilie

Since 2009, the sales divisions of REWE Group have been certified by the by berufundfamilie Service GmbH, an initiative of the non-profit Hertie Foundation. Foundation, in accordance with the "audit berufundfamilie".

At the REWE sales division, around 2,700 stores and markets are run by stores, as well as six administrative and six logistics locations, have already been certified for several years. Around 134,000 employees benefit from this. The main topics in 2020 included flexible working hours for store for store managers, mobile working and part-time management. part-time management. Pilot projects were carried out on the latter, so that eight store managers are now employed on a part-time basis. For a defined part-time management in sales, a general works agreement will be concluded with the agreement with the Works Council will be concluded in 2021. Subsequently the arrangement is to be extended to the entire sales force. In addition, the stores have been prepared for recertification in 2021. by compiling the measures implemented and drawing up an initial draft of the an initial draft of the target agreement was drawn up.

In 2018, PENNY became the first discounter in Germany to be awarded the certificate of "audit berufundfamilie" (work and family audit) in 2018 for its strategically designed family- and life-phase-conscious personnel policy. It applies to all of the approx.

28,550 employees working in the stores, logistics and administration. and administration. At PENNY, the focus in 2020 was on communicating the and target agreements to managers and employees in 2020. and employees in 2020. For example, the topic of career and family was the annual employee appraisal and in various training formats. training formats. Recertification will take place in 2021. PENNY is also planning PENNY is also planning an employer campaign on the topic of career and family, and is working on anchoring part-time models models for management positions in sales. Since 2012, the REWE Group headquarters in Cologne has held the "audit berufundfamilie" certificate since 2012 - it was recertified in 2018. Due to the Corona pandemic, mobile working was a focus at all central locations in the reporting year.

central locations. To this end, various measures were developed that measures of the central audit "berufundfamilie" (work and family) berufundfamilie.

The stores, head office, and logistics locations of toom Baumarkt with their with around 17,200 employees have been certified since 2016, with the first recertification taking place in 2019.

The first recertification took place in 2019. agreement and performance, as well as films on internal and external communication were produced. Here, too, due to the Corona pandemic the possibilities to work from home were expanded. For this purpose, the Homeoffice 2.0" project was launched for this purpose.

REWE International Dienstleistung GmbH in Austria has held the berufundfamilie Service GmbH certificate since 2013.

has been certified by berufundfamilie Service GmbH since 2013, as have the Austrian sales lines BILLA (since 2015), MERKUR (since 2016), BIPA (since 2016) and PENNY (since 2018). The central divisions as well as MERKUR were recertified in 2019, and BIPA in 2020. In total, around

44,000 employees in Austria will benefit from the certification. In the the period under review, the work-life balance program was increasingly and family were increasingly communicated to employees and managers. The part-time management was piloted for the sales department, and employees and managers and managers discussed the corresponding framework conditions. During the Corona pandemic, most employees at headquarters worked from home. office; for the period after Corona, concepts for mobile working for concepts for mobile working are being developed for employees and managers. This means that REWE Group, with just under 219,000 employees in Germany covered by the audit, REWE Group is currently the largest company in that is certified in accordance with the "audit berufundfamilie" (workandfamily audit).

REWE Group received numerous awards in the year under review. These include:

-

REWE Group, PENNY, REWE: Top Employer 2020 (Top Employers Institute).

•

REWE Group: BEST PLACE TO LEARN (certification of in-company training) 2019-2022

•

toom Baumarkt: BEST RECRUITERS 2019/20 (gold in industry ranking)

•

REWE Group in Austria: BEST RECRUITERS 2020/21 (silver)

•

BIPA: Seal of approval for in-house promotion of women "equalitA".

•

BILLA: Austria's Leading Companies Award (special prize for inclusion).

Employee satisfaction

Regular employee surveys are an essential part of REWE Group's appreciative human resources management.

is represented by regular employee surveys. They reflect the mood in the company and identify areas where action is needed. The survey is directed at different areas of the company each year.  
company.

In the reporting year 2020, REWE Group enrolled more than 73,000 employees in the stores, administration and logistics, 72 per cent of whom took part in the survey. In the identification with the company as well as transparency and clarity were rated best. The survey also rated the company's response to the Corona pandemic, such as the provision of information and hygiene measures.  
information and hygiene measures were also rated as very good by the respondents. The evaluation of work organization, on the other hand, was somewhat weaker. The individual differentiated evaluations were made available to the individual departments, so that on this basis concrete measures can be derived together with the employees.

Measures  
and  
projects

for  
a  
good  
employment relationship

REWE Group implements measures and projects that facilitate the reconciliation of work and private life and promote an attractive working environment. In this way, employees are given the opportunity to more individual and flexible organization of their working day - for example, through home office options, more flexible overtime reduction (several days of compensatory time off in days, also possible before or after vacation days), the elimination of core working hours and an extension of the framework working time. The measures were made binding various company agreements.

Corona pandemic  
and  
the  
new  
world of work:  
REWE  
DNA

Since March 2020, the employees of REWE Group have been working in their to a large extent in their home offices. With a digital platform, employees can employees can also work together regardless of their location. Against this Against this backdrop, REWE Group intensified its efforts in the year under review to the extent to which mobile working can be implemented and anchored even more strongly at the REWE Group's administrative locations even more strongly in the future. For this purpose the project "REWE DNA - Your New Working World" was launched. In a first step, employees developed concepts and ideas for the working ideas for the working world after the Corona pandemic - from flexible work technological equipment and the design of workplaces to strengthening a culture of design of workplaces, strengthening a culture of trust and empowering employees. of employees. The results will be discussed at workshops in 2021 The results will be discussed in workshops in 2021 and then further elaborated.

Childcare

To make it easier for employees to return to work, in recent years the company has In recent years, the company's own childcare facilities and, in some regions cooperation agreements for kindergarten places have been increasingly expanded. The company daycare centers (Kitas) in Cologne, for example, have a capacity of 95 places. DER Touristik occupies 23 places in a crèche for children under the age of three. In addition In addition, there are cooperation agreements in individual regions of Germany and in Austria for kindergarten occupancy places and/or places in private kindergartens at reduced prices. The REWE Group is constantly working on expansion. Specially equipped parent-child offices at all central at all central locations enable employees to take their children to work with them in an emergency. to work with them in an emergency. In this way, they can go about their work as usual and at the same time look after their own their own child at the same time.

With  
cooperation  
more

achieve:  
awo  
lifebalance

Since 2008, REWE Group has been working with awo lifebalance (formerly AWO ElternService) since 2008. The services are available to all employees at the and regional locations as well as in the stores and logistics locations. logistics locations. With a wide range of services covering advice and services for childcare and nursing care are available to all employees in Germany. employees in Germany. In the year under report, the REWE and PENNY employees used the counseling service almost 70 times. times. In addition, REWE Group offers the following services awo lifebalance service offers vacation camps throughout Germany.

In Germany and Austria, there are numerous other support options with regard to for care during vacation periods. In the year under review, the the year under review due to the Corona pandemic - however, managers were managers were urged to take advantage of every opportunity to make working hours more flexible, to support parents. The head office in Vienna has set up a "window day care" service and at the regional sites, there are special on-site services such as child care during company events, emergency childcare options or play boxes or Children's chairs in the canteens. However, these had to be cancelled in 2020 due to corona.

toom Baumarkt also offers discounted tutoring for employees' children. Thus affordable support and reduce worries about school reports. Private lessons for employees' children are subsidized by a salary supplement of 100 euros gross per month. per month for a period of six months. A total of 250 places are employees' children 250 places are available with the provider Studienkreis. The offer was taken up 67 times in the year under review. And in Austria, too, long-term courses are offered in with the Schülerhilfe and Lernquadrat organizations are also offered at a greatly reduced offered.

## Care for relatives

Support in care situations is becoming increasingly important. As a supplement to the new Family Care Leave Act (Familienpflegezeitgesetz), REWE Group has company agreements that offer employees offer employees additional benefits. These include:

- 

Care or family care periods, regardless of the number of employees, for the employees of all companies

- 

Paid, two-hour leave of absence from work to deal with administrative matters and to processing necessary applications on the subject of care



●

Employment of employees at their original workplaces after the end of the care and Family care leave, unless there are urgent operational reasons for not doing so.

Sabbaticals

REWE Group offers a leave of absence from work in the form of a sabbatical and has met with a positive response.

positive response: In the year under review, a total of 131 employees in Germany took advantage of this offer.

Germany took advantage of the offer (2019: just under 200). The sabbatical allows employees sabbatical allows employees to take up to six months' complete leave of absence from work from work for up to six months within a twelve-month period. During the sabbatical, a correspondingly adjusted salary is paid during the sabbatical, which means that ongoing social security coverage remains in place.

REWE Group also offers its employees partial retirement in order to facilitate a transition to retirement. transition to retirement.

GRI  
401-1:

New  
hired  
Employees  
and  
Employee turnover

The fluctuation rate of REWE Group employees has been relatively stable for years and ranges between between 17 and 21 percent. Compared to 2019 (20.4 per cent), the fluctuation rate fell to 19.0 per cent in the reporting year.  
in the reporting year 2020 to 19.0 per cent. The industry average in Germany in 2019 was 30.7 percent.\* The staff entry rate at REWE Group increased from 21.3 percent (2019) to 21.7 percent in 2020.

\* Information from the report "The Labor Market in Germany 2019" by the German Federal Employment Agency, November 2020. Key figure includes the Trade, maintenance, repair of motor vehicles industries.  
Entries  
and  
Departures

2020

Up to 30 years  
31-50 years  
Older than 50 years  
w  
m

d  
Not specified  
D  
AU

Entries  
24812  
16262  
4395  
26163  
19275  
3  
28  
34849  
10620  
Departures  
18951  
13895  
7057  
23945  
15953  
1  
4  
29646  
10257

2019

Up to 30 years  
31-50 years  
Older than 50 years  
w  
m  
d  
Not specified  
D  
AU

Entries  
22618  
15533  
4298  
26034  
16415  
0  
0  
30727  
11722  
Departures  
19076  
14905  
6678  
25207  
15452  
0  
0  
29713

10946

2018

Until 30 years  
31-50 years  
Older than 50 years  
w  
m  
d  
Not specified  
D  
AU

Entries  
20990  
14541  
3822  
24274  
15079  
0  
0  
27967  
11386

Departures  
17413  
13333  
6128  
22980  
13894  
0  
0  
26381  
10493  
|

Fluctuation  
according to  
Business areas  
in  
Percent

Trading Germany  
International Trade  
DIY  
Tourism  
Other\*  
Total (Scope NH report)

2018  
18.9  
25.1  
13.2

11.7  
7.9  
19.6  
2019  
19.7  
25.6  
14.7  
15.4  
8.2  
20.4  
2020  
18.5  
23.7  
14.6  
14.3  
7.6  
19.0

\* GRI 102-48: Due to changes in classification in the areas of Trading Germany and Other, the figures differ from those in the previous year's report.

Staff turnover  
According to  
Gender  
and  
age  
in  
Percent

2018  
2019  
2020

Total fluctuation

19,6  
20,4  
19,0

Fluctuation women

17,4  
18,2  
16,7

Fluctuation men

24,4  
25,4  
24,0

Fluctuation Divers\*

---

Fluctuation Not specified\*

---

Fluctuation Age group up to 30 years

38,5  
40,4  
38,4

Fluctuation age group from 31 to 50 y.

15,3  
16,4  
14,6

Fluctuation age group from 50 y.

10,9

10,9

10,9

\* Due to the low absolute numbers, no meaningful rates can be reported.

GRI

401-3:

## Parental leave

REWE Group employees receive support before and during their parental leave - for example for example through information events on the topic of parental leave and re-entry. For REWE and toom Baumarkt employees, a standardized contact program for mothers and fathers is currently being for mothers and fathers is currently being developed for employees at REWE and toom Baumarkt. It is expected to be implemented in 2021. At toom Baumarkt, employees on parental leave will also be able to access the internal employees on parental leave can also access internal learning opportunities.

In Austria, employees at BILLA are provided with information material about information material on pregnancy, maternity leave and returning to work, employees at BILLA in Austria receive a "BILLA Babybox" with information and products. During parental leave, the so-called "Karenzjause" (maternity snack) takes place. However, in the year under review it had to be cancelled due to corona. In addition, informal meetings are held for informal meetings of parents on parental leave with their children at the employer's premises. At BIPA, an information package and discussion with the expectant mothers is offered. In addition BIPA promotes the "dad month" and paternity leave. Various part-time models and job sharing support those returning to work.

## Return from parental leave

REWE Group is increasingly committed to reconciling work and family life. employees to return to work as easily as possible. In 2020, 11,627 employees in Germany and Austria took parental leave, of which 1,177 were male and 10,177 were female.

male and 10,450 female employees. In the reporting period, 4,208 employees returned to work during the reporting period. 87.7 percent of employees who returned from parental leave in 2019 were still employed by REWE Group as of December 31, 2020. REWE Group as of December 31, 2020. The right to parental leave is regulated by law in Germany and Austria. regulated by law in Germany and Austria.

Number  
of  
employees,  
who  
parental leave

in  
claim  
taken  
have

2018  
2019  
2020

Female  
10.025  
10.379  
10.450  
Male  
942  
1.001  
1.177  
-00  
Not specified  
--0

Miscellaneous  
Total (Scope NH report)  
10.967  
11.380  
11.627

Number  
of  
employees,  
the  
according to  
parental leave\*  
again  
at  
the  
workplace  
returned  
are

2018  
2019  
2020

Female  
2.978  
3.136  
3.162  
Male  
841  
881  
1.046  
-00  
Not specified  
--0

Miscellaneous  
Total (Scope NH report)  
3.819  
4.017  
4.208

\* Full-time or part-time or marginally employed on parental leave.

Number  
of  
employees,  
who  
twelve  
months  
after  
their  
return  
from  
the  
Parental leave  
(end  
of  
parental leave)  
still  
at  
company  
employed  
are

Divers  
Female

REWE Group Sustainability Report 2020  
Employee-employer relationshipEmployee-employer relationship

The involvement of employees in decision-making processes is an important factor within companies.  
important factor within companies - it can promote cooperation based on trust between employer and  
between employer and employees and thus lead to a stronger identification of the employees with the  
company.  
with the company.

In order to integrate sustainability as an integral part of corporate processes, the  
REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green  
products, energy, climate and the environment.  
products, energy, climate and environment, employees and social commitment.  
developed. In addition, five fields of action have been defined within the framework of the Employees  
pillar  
defined: Values and culture, training and development, health and safety, career and life phases, and  
life phases, and diversity and equal opportunities.

GRI  
402:  
Employee-employer relationship

## Management approach

Employee co-determination is a high priority at REWE Group. In cooperation with the employee representative bodies, legal, collective bargaining and company regulations are implemented jointly. Almost all employees in the stores, logistics and administration are represented by works councils. Works councils - an ideal structure for the branch-based retail sector. The Works Council and management work together in a spirit of trust.

In addition, the Group-wide guideline for sustainable management as a basis for action. It is based on the Universal Declaration of Human Rights and the conventions of the

Conventions of the International Labor Organization (ILO). In directive states: "We respect the right of employees to form independent and free employee independent and free workers' organizations and to negotiate freely on the basis of Collective Bargaining Agreements and Workers' Rights."

GRI  
402-1:

Minimum notice period  
for  
operational  
changes

Representatives of the workforce are involved in almost all decisions at REWE Group in their capacity as elected representatives of the works councils or supervisory boards. In accordance with the and other participation rights, the employee committees are informed in a timely manner employee bodies are informed in good time, opinions are obtained and agreements are reached with them. REWE Group works consistently, intensively and trustingly with the works councils. Their representatives are involved in numerous bodies such as the IT and Logistics Committees. Operational changes are discussed jointly at an early stage.

For employees who have to be dismissed by REWE Group for operational reasons, the company develops social the company develops social compensation plans together with the employee committees, if necessary. These plans often contain often include provisions for the qualification of employees in order to promote their entry into other other jobs.



Safe workplaces and the promotion of employee health play a central role for companies. This includes preventing accidents at work as well as offering preventive health measures. In this way, the company not only complies with the law, but can also prevent longer absences and protect employees. To ensure health and safety as effectively as possible, it is necessary to integrate these aspects well into the corporate structures.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and the environment. In addition, five fields of action have been defined within the framework of the Employees pillar: Values and culture, training and development, health and safety, career and life phases, and diversity and equal opportunities. With the activities in the field of action REWE Group's activities in the field of health and safety are aimed at ensuring occupational safety and to maintain and promote the health of its employees.

GRI  
403:  
Occupational Safety  
and  
health protection  
GRI  
403-1:  
Management system  
for  
Occupational Safety  
and  
Health Protection  
GRI  
403-2:  
Hazard Identification,  
Risk Assessment  
and  
Investigation  
of  
Incidents  
GRI  
403-3:  
Occupational Health  
Services  
GRI  
403-4:  
Employee participation,  
Consultation  
and  
Communication  
To  
occupational safety  
  
and  
health protection

GRI

403-5:  
Employee training  
on  
occupational safety  
and  
health protection

GRI  
403-7:  
Prevention  
and  
Mitigation  
of  
directly  
with  
business relationships  
related  
Impact  
on  
the  
occupational safety  
and  
the  
Health Protection

Management approach

REWE Group ensures a safe and healthy working environment. It takes care to comply with the legal principles and the requirements of the accident insurance (employers' liability insurance associations) on occupational health and safety in compliance with the law. For  
For this purpose, the retail company analyzes and monitors relevant work processes for health and safety risks and takes appropriate measures to reduce any hazards. hazards.

Health management

The Center of Expertise (CoE) Health & Innovation is responsible for occupational health management at REWE Group in Germany.  
health management at REWE Group in Germany and is committed to supplementing the "health and safety at work and is consistently committed to its employees. One important goal is to promote the health of employees on a sustainable basis and to prevent prevent illnesses and thus increase the health rate. To achieve this  
To achieve this goal, the Health & Innovation CoE develops concepts and coordinates projects and offers for the individual sales divisions.  
projects and offers for the individual sales divisions and their employees. These include preventive health screenings, Fit.Netz offers (exercise and relaxation courses), the initiative LoS! - life-phase-oriented self-help competence, and the in-house addiction officers.

Occupational health care at REWE Group in Germany is provided uniformly by an service provider for the REWE, PENNY, toom Baumarkt and DER Touristik sales divisions. Touristik. The service provider is appointed nationally on the basis of the statutory deployment times by the Health & Innovation CoE and in agreement with the responsible persons in the business units and the occupational safety specialists in line with the strategic objectives.

coordinated in accordance with the strategic objectives.

At REWE Group in Austria, health promotion is based on three areas: Body, social and mental/well-being. Based on pilot projects in the store area, there has also been a program for employees since 2010.

there has also been a program for employees at the head offices of the trading companies. The health promotion activities are based on the biopsychosocial health of employees.

the biopsychosocial health of employees and managers and are divided into the following elements  
elements of ergonomics at the workplace, nutrition, psyche/relaxation, sport/movement,

preventive care and more flexible working hours. In this context, one focus of the REWE Group in Austria focuses on sensitizing employees to physical and mental health factors.  
mental health factors.

### Occupational safety and health protection

In the HR Service Occupational Safety & Health Protection, all internally employed specialists for occupational safety

for occupational safety are brought together in one organizational unit - they look after in particular the companies of Handel Deutschland, toom Baumarkt, HLS Handel and Lager Service, REWE Digital Fulfilment Services, as well as a number of smaller companies with individual locations. as an internal service provider in line with legal requirements. Coordination of the six regional and cross-divisional teams and their team leaders are coordinated nationally by the is coordinated nationally by the head of the occupational safety department. National coordinators work on the continuous development of occupational safety processes. occupational safety processes. In addition, there is a national fire safety and hazardous goods hazardous materials officer.

Taking into account state and employers' liability insurance association regulations, the following activities take place

regular inspections of workplaces, systematic analyses of accidents, evaluations of reports received from authorities in the area of occupational safety (such as the district government,

authorities (such as the district government, trade supervisory authority, occupational regular coordination meetings with responsible parties such as the sales or construction departments, and meetings of the health and safety committee in accordance with the management and and responsibility structures in the business units at regional or national level.

take place. It is also important to make managers and employees aware of occupational safety and health-promoting

health-promoting working conditions and processes. As possible

As possible points of contact for questions or suggestions, the sites' occupational safety for occupational safety and company physicians are made known at the sites, for example through notices.

The company Lekkerland, which was acquired at the end of 2019, has not yet been integrated into the management of

management of occupational safety and health protection at REWE Group - it has retained its own retained its own organization in this context for the time being. The Lekkerland companies are contractually supervised by external occupational safety specialists and company physicians.

Dealing  
with

the  
Corona pandemic

In the year 2020, occupational safety at REWE Group has been Group against the backdrop of the Corona pandemic and the associated legal requirements. requirements took on a central role. Already at the beginning of March 2020 REWE Group entered into an exchange with external bodies (e.g., Robert Koch Institute Koch Institute, Berufsgenossenschaft Handel und Warenlogistik, or the Federal Ministry of Labor and Social Affairs) as well as internal national and regional and regional crisis teams to agree on the requirements and protective protective measures. To support the test strategy six regional task forces and one national task force were set up. From the purchase of protective goods to measures in the markets such as the such as the erection of partition walls and spacing rules, to regulations on regulations on room occupancy, business trips and events, concepts were developed in concepts were developed in cooperation with the departments and regions and various measures were implemented.

In addition, the CoE Health & Innovation as well as the area of Health & Safety have developed their own strategy for the self-implementation of developed and implemented their own strategy for self-administered PCR tests. implemented. In addition, a process for mass testing was developed at REWE Group's logistics sites of REWE Group was developed and employees were trained in the in carrying out the tests. For the organization and regulation of and regulation of the tests, a general works agreement was adopted. The CoE Health & Innovation was available to the various sales divisions in the the various sales divisions, with the involvement of the company medical service, on all the various sales divisions on all issues relating to the pandemic.

#### Efficient risk assessment

One success factor for the systematic recording and assessment of hazards is an efficient risk assessment. efficient risk assessment. For this purpose, a system is used to to identify and evaluate key hazards and to develop proposals for suitable implementation measures. The electronic recording of hazards supports the managers responsible for occupational safety in their work in this area.

field of action. In particular, PENNY, toom Baumarkt and REWE Digital Fulfilment Services (as well as the logistics locations belonging to these companies) are using the system "Risk Assessment Online" system of the German Employers' Liability Insurance Association for Trade and Merchandise Logistics (BGHW). across the board: With the aid of a tablet, laptop or store PC, an electronic checklist with relevant aspects is called up to record and assess possible risks and to develop and develop suitable measures.

Depending on the business unit, employee surveys and checklists are added to the surveys and checklists, which are documented as far as possible on an IT basis. documented as far as possible. In addition, employee-related instruments such as employee forums, (health) circles, work situation assessments, and other moderated workshops are also are used for specific target groups.

In the year under review, a specific risk assessment was also carried out for Corona's risk groups. risk groups (e.g. older employees, employees with pre-existing conditions or pregnant women).

were developed. In this way, it was possible to develop and agree on the necessary protective measures for particularly employees could be developed and coordinated - for example, the performance of a different mobile work or a ban on work to protect the employees.

## Training in occupational health and safety

As a basic tool for instruction in all REWE and PENNY stores as well as in the e-learning courses on occupational health and safety have been in place since 2012. These are adapted to current requirements at regular intervals - most recently in May 2020. They are completed by all employees and managers (with an additional module on "Responsibility"). "Responsibility"). In order to ensure that what has been learned is firmly anchored, annual repetitions take place. Special topics, in particular local peculiarities and the use of machinery and equipment, are covered. and use of machinery and equipment, are regularly discussed on site by those responsible regularly discussed on site by those responsible with the users. Since summer 2020, toom Baumarkt has also been toom Baumarkt has also been developing a comprehensive e-learning program for its stores since summer 2020. It is scheduled for completion in spring 2021. spring 2021.

The interactive training document "Azupoly" conveys knowledge to trainees at PENNY in the sense of a trainees at PENNY in the sense of instruction in a playful way. The program has now developed into an annual standard program, which has since been extended to other sales lines such as REWE and to other sales divisions, such as REWE and toom Baumarkt.

In addition, the legally required fire safety and evacuation assistants are trained in all stores. evacuation assistants and first aiders are also trained in all stores. The qualification of fire protection assistants at REWE and PENNY is carried out by means of specific e-learning and is supplemented by practical aspects such as fire extinguishing exercises. The training of first aiders is carried out by certified providers, either in in-house training courses or on a decentralized basis, depending on the options available.

REWE Group in Austria also conducts legally required occupational safety safety training courses required by law and regularly inspects its operating sites. In addition In addition, safety training for cars and trucks is implemented on an ongoing basis. Every employee who receives a new company car must complete such a driver safety training course. complete such a course.

GRI  
403-9:

## Work-related Injuries

The accident statistics collected by REWE Group record work-related accidents as well as the associated The accident statistics collected by REWE Group record occupational accidents and the days lost in connection with them and enable an evaluation by gender and business segment. They are presented in accordance with the BGHW statistics as reportable accidents per 1,000 Full Time Equivalents (FTE).

In 2020, the accident rate increased from 45.3 to 46.5 accidents per 1,000 FTEs compared to 2019, which is above the target of 43.5 accidents per 1,000 FTEs in 2025. In five cases, there were fatal accidents. As in the previous year, the sickness rate within REWE Group was 6.9 per cent in the reporting period. previous year at 6.9 per cent. The paid sick leave rate fell slightly in the reporting period and was 4.4 percent in 2020 (2019: 4.5 percent).

KPI  
Target  
Status  
Accidents per 1,000 full time equivalents.  
By 2025, the number of accidents  
46,5  
per 1,000 FTEs to be reduced to 43.5

In addition to the accident statistics, the occupational safety specialists are currently working on the further development and testing of an accident analysis tool. This is intended to identify accident causes accident reports will be scrutinized and analyzed more closely in the future and suitable and develop suitable prevention measures.

Since its introduction in 2008, REWE Group has been regularly using the cross-insurance fund health report regularly and discusses it in various committees. The

health report includes the incapacities to work reported to the largest health insurance companies in REWE Group. incapacities to work. Data on occupational illnesses are not documented. Experience show that recognized occupational illnesses at REWE Group only occur to a small extent. only occur to a small extent.

Unfortunately, robberies are still a current issue at REWE Group stores - as they are in the entire retail sector. a current topic in the stores of REWE Group - as in the entire retail trade. The employees affected can suffer from both physical as well as psychological damage, which can lead to longer periods of absence. Acute intervention following traumatic events, i.e., professional psychological counseling, is used systematically at REWE Group. Furthermore, there are special briefings on the prevention of assaults. In 2020, 110 employees affected by robberies employees affected by robbery in Germany and Austria, 51 fewer than in the previous year. previous year.

REWE Group service providers are generally independent decentralized contractors, so that data on accident rates, sick leave and fatalities in relation to external service providers are not are not currently recorded.

Accidents,  
robberies  
and  
Fatalities

Total (Scope NH report)

Germany  
Austria1  
Type  
Gender  
2018  
2019  
2020  
2018  
2019  
2020  
2018  
20193  
2020  
Accidents per 1,000  
Female  
44,5  
42,9  
43,7  
52,2  
45,9  
47,3  
18,6  
32,3  
30,8

RTD2.3  
Male  
49,0  
49,5  
51,0  
53,3  
52,4  
55,0  
28,9  
34,9  
29,9  
diverse  
-0  
0  
-0  
0  
-0  
0  
none  
--0  
--0  
--0  
Indication  
Total  
46,1  
45,3  
46,5  
52,6  
48,4  
50,3  
21,7  
33,1  
30,5  
Number of accident victims  
female

4.549  
4.697  
4.895  
4.114  
3.916  
4.146  
435  
781  
749  
Employees:inside3  
(occupational and  
commuting accidents)  
Male  
2.863  
3.143  
3.475  
2.570  
2.780  
3.153  
293  
363  
322  
miscellaneous  
-0  
0  
-0  
0  
-0  
0  
none  
--0  
--0  
--0  
Indication  
Total  
7.412  
7.840  
8.370  
6.684  
6.696  
7.299  
728  
1.144  
1.071  
Number of injured  
female  
3.475  
3.334  
3.599  
3.475  
3.334  
4.146  
---  
Employees:inside  
(occupational accidents)  
Male  
2.244  
2.444  
2.797  
2.244  
2.444



3.153  
---  
diverse  
-0  
0  
-0  
0  
---  
none  
--0  
--0  
---  
Indication  
Total  
5.719  
5.778  
6.396  
5.719  
5.778  
7.299  
---  
Number of injured  
female  
639  
582  
547  
639  
582  
547  
---  
Employees:inside  
(commuting accidents)  
Male  
326  
336  
356  
326  
336  
356  
---  
diverse  
-0  
0  
-0  
0  
---  
none  
--0  
--0  
---  
Indication  
Total  
965  
918  
903  
965  
918  
903  
---  
By robbery  
female

104  
94  
64  
104  
94  
64  
---  
affected  
employees:inside  
male  
65  
49  
40  
65  
49  
40  
---  
diverse  
-0  
0  
-0  
0  
---

1 In Austria, the separation into occupational and commuting accidents is not prescribed by law, therefore this separation is not available in the systems and cannot be evaluated.  
and cannot be evaluated. For REWE Group in Austria, only the total number of accidents (occupational and commuting accidents) is given.  
are given. In the total sum of the scope of application of the NH report, the figures for Austria are therefore missing in the columns for occupational accidents and commuting accidents.  
from Austria. Since the accident figures in Austria are not subdivided according to gender, but are included in the total sum, there may be discrepancies between the total sum and the figures from Austria.  
may be discrepancies between the overall total and individual values.

2 FTE = Full Time Equivalent.

3 The increase in occupational accidents at REWE Group in Austria is due to the fact that, since 2019, all salaried employees have been covered by the  
alignment of blue:collar and white:collar employees have their own occupational accident absence account. As a result, occupational accidents among  
employees are now clearly recorded.

none  
--0  
--0  
--  
Specify

Total  
180  
161  
110  
169  
143  
104  
11

Fatal accidents  
female  
4  
3  
5  
4  
3  
5  
-0

male140120  
-0

diverse  
-00  
-00  
-0

none  
--0  
--0  
--  
Indication

Total575555  
-2

1 In Austria, the separation into occupational and commuting accidents is not prescribed by law, therefore this separation in the systems is also -  
600000is not available and cannot be evaluated. For REWE Group in Austria, only the total number of accidents (occupational and commuting accidents) is given.  
are given. In the total sum of the scope of application of the NH report, the figures from Austria are therefore missing in the columns Occupational Accidents and Commuting Accidents.  
from Austria. Since the accident figures in Austria are not broken down by gender, but are included in the total sum, there may be discrepancies between the total sum and the figures from Austria.  
may be discrepancies between the overall total and individual values.  
2 FTE = Full Time Equivalent.

3 The increase in occupational accidents at REWE Group in Austria is due to the fact that, since 2019, all salaried employees have been covered by the  
alignment of blue:collar and white:collar employees have their own occupational accident absence account. As a result, occupational accidents among  
employees are now clearly recorded.

Days lost  
due to  
accidents  
Gender  
2018  
2019

2020  
Total (Scope NH report)  
Female  
99.789  
116.056  
108.811  
Male  
54.473  
60.853  
61.492  
diverse  
-0  
0  
not specified  
--0  
Total  
154.262  
176.910  
170.302  
Germany  
Female  
93.559  
102.311  
94.432  
Male  
50.155  
55.164  
56.100  
diverse  
-0  
0  
not specified  
--0  
Total  
143.714  
157.475  
150.531  
Austria  
Female  
6.230  
13.745  
14.379  
Male  
4.318  
5.689  
5.392  
diverse  
-0  
0  
not specified  
--0  
Total  
10.548  
19.434  
19.771  
Due to rounding, there are discrepancies in the totals.

Sick leave

2018  
2019  
2020

Region  
Gender  
%  
%  
%  
Total (Scope NH report)  
Female  
7,3  
7,5  
7,6  
Male  
5,7  
5,8  
5.8  
diverse  
-0  
4,5  
not specified  
--3,7  
Total  
6,7  
6,9  
6,9  
Germany  
Female  
8,0  
8,1  
8,3  
male  
6,0  
6,2  
6,1  
diverse  
-0  
4,5  
not specified  
--3,7  
Total  
7,2  
7,4  
7,5  
Austria female  
5,1  
5,3  
5,2  
male  
4,3  
4,2  
4,1  
diverse  
-0  
0  
not specified  
--0  
Total

4,9  
4,9  
4,9

There are no indications of employees with a high rate or risk of illness due to their work.  
-or at risk of falling ill due to their work.

GRI  
403-6:

Promotion  
of  
health  
of  
employees

In order to promote health-conscious behavior among employees, REWE Group carries out various projects.

carries out various projects. In Cologne, the company health management offers offers prevention courses under the name Fit.Netz. In the years 2018 to 2020, a total of

2,830 course places were taken up - of which only 687 places were taken up in the reporting year 2020 due to the Corona pandemic.

The course phases in spring and summer 2020 had to be cancelled due to the pandemic; Digital offerings were developed as a substitute.

Against the backdrop of the Corona pandemic, REWE Group offered its employees the following courses in the reporting year

cooperation with B-A-D Gesundheitsvorsorge und Sicherheitstechnik GmbH in the year under review.

GmbH, REWE Group offered its employees various online seminars. The topics included dealing with uncertainty and fears in times of the pandemic, but also mobile working and managing virtual teams. teams.

At the market level and in logistics, there is a focus on ergonomics in the workplace:

Repetitive motions as well as incorrect lifting, carrying and standing often cause often cause pain and lost working days. For this reason, ergonomics training courses on lifting ergonomic adjustment and design of workplaces, as well as campaign days on the subject of back health.

and also, for example, campaign days on the subject of back health. In addition, the

sales divisions also offer a wide range of preventive services at regional level - these include

These include personal counseling sessions at all administrative locations, psychosocial counseling by telephone in all regions and

telephone counseling in all regions, as well as health days, fitness checks, cancer screening (skin screening), flu vaccinations, nutrition and non-smoking courses, massages at the workplace, individual

individual courses and workshops, and online coaching courses in cooperation with the with the DAK Gesundheit health insurance fund. Health promotion at toom Baumarkt also includes seminars on the subject of "Healthy Management" and a Health Olympics in individual DIY stores.

In the year under report, REWE Group held campaign weeks on the topic of "Healthy through the dark through the dark season". The comprehensive sports and lecture program was offered both in the form of

events as well as in digital formats.

The program at REWE Group in Austria includes individual fitness sessions, advice on ergonomics at the workplace, and lectures to strengthen health awareness. In the store area, preventive and health check-ups are offered and supported by paid time off for the duration of the examination. In addition training on correct lifting and carrying as well as ergonomic health shoes are offered.

Together  
fit  
stay fit:  
"Gemeinsam.topfit"

With an online platform, an app, as well as print materials, an e-learning and a film, REWE Group has been supporting its employees in a healthy lifestyle since 2019. a healthy lifestyle: from stress management to tips on nutrition, employees can nutrition, employees can take advantage of various offers within the framework of "Gemeinsam.topfit". employees can take advantage of various offers. In addition to video and audio courses, recipes, and other content, employees also receive a Job.Fit a Job.Fit module, employees receive valuable tips on daily work and physical activities such as and physical activities such as lifting and carrying heavy goods, stocking shelves, etc. and carrying heavy goods, stocking shelves and sitting at the checkout. In the year under review, the content was expanded to include advice on working with people in need of care and how to deal with the relevant requirements. were added. In addition, due to the Corona pandemic, home training units were made available for use at home. In the meantime, more than

50,000 employees in Germany (REWE, PENNY, toom Baumarkt, DER Touristik, Lekkerland) are now using the "Gemeinsam.topfit" app. At toom Baumarkt, health promotion is organized on a decentralized basis: In all regions there is an addiction counseling with trained counselors is implemented on site in all regions.

Further examples of health promotion offerings at REWE Group in the year under review:

- 

In all regions, influenza vaccinations were offered at the administrative and logistics sites as well as corresponding consultations were offered. Where vaccination could not take place (especially in the stores), employees received a time credit for the vaccinations they received. time credit.

- 

All REWE Group employees were able to take part in a virtual running event as a substitute for various virtual running event as a substitute for various face-to-face runs. In addition, a colon cancer screening was offered to all employees. colon cancer screening was offered to all employees.

-

In the South Region, health days, seminars on dealing with customers to promote mental health, and functional mental health and functional back and fascia training were offered in the southern region. were offered.

•

At REWE Südwest, more online offers for employees in administration and a telephone consultation a telephone consultation by B-A-D Gesundheitsvorsorge und Sicherheitstechnik GmbH in the sales department. GmbH in the sales department. In addition, the trainees receive preventive information on the topics of nutrition, exercise, stress and addiction.

•

At REWE West, the "Wegweiser der Gesundheit" ("Health Signposts") campaign days as well as ergonomics consultations and active breaks were offered.

•

Employees at REWE Mitte were able to take part in online presentations on stress management and resilience, individual nutritional counseling over the phone, and health days. participate.

•

Employees at REWE Nord were given the opportunity to take part in non-smoking courses and resilience training. and resilience training.

•

Health knowledge was imparted to trainees in the REWE East Region.

•

The JobRad - an offer to purchase a company bicycle within the framework of a REWE Group employees have taken advantage of the JobRad - an offer to purchase a company bicycle as part of a deferred compensation model - over 6,200 times since the end of 2016. over 6,200 times since the end of 2016.

•



On PENNY LIVE (radio in the stores), experts and doctors regularly give health tips for employees before the stores open.

health tips for employees before the stores open. Also on in-store radio at BILLA, MERKUR and PENNY in Austria also address the topic of health.

The measures taken by REWE Group in Austria include the compulsory Group-wide management academy with a module focus on "healthy leadership" and the BILLA Burnout prevention curriculum. In addition, there is the option of individual coaching for managers and occupational psychology coaching for employees. For its REWE Group in Austria has already been awarded the seal of approval several times for its has already been awarded the "Company Health Promotion" seal of approval several times.

Approach  
for  
age-appropriate  
working:  
"Enable  
Me  
50+"

The "Enable Me 50+" project was launched in 2019 at BILLA in Austria and at the REWE headquarters in Vienna.

Enable Me 50+" project. As part of the research project of the Technical University of Graz, the aim is to develop a holistic approach to age-appropriate work at the REWE Group in Austria is to be developed. In 2019, workshops have already been held with store employees to identify aids that make everyday work easier. facilitate everyday working life. The piloting of the project started at the beginning of 2020.

Dealing with stress and mental strain also plays an important role in health prevention. plays an important role. Mental stress has a sometimes serious impact on the employability, motivation and work and work performance of employees, sometimes seriously. For this reason, REWE Group launched the "LoS! - Life-Phase-Oriented Self-Help Competence" project back in 2011. launched. In the meantime, there are about 200 so-called "LoS! multipliers", who have been trained as collegial first-time advisors. They are available to employees as contact persons in critical phases of life.

employees in critical phases of their lives. To support the voluntary work of the To support the voluntary work of the multipliers, new tools are developed on a regular basis. In the year under review, these included information on vocational training allowances, pensions, tax returns and insurance.

Facilitating return to work: occupational integration management

The company integration management program supports employees who are returning to work after a long after a long period of illness. It is based on statutory regulations and takes takes into account company conditions such as location and employee structures. In addition, all employees in the southern region can take advantage of the Reha REWE network - a cooperative project between a cooperative project between REWE, the German Pension Insurance Fund of Bavaria South, Swabia and and Northern Bavaria as well as various rehabilitation clinics. It enables employees to for example, targeted, high-quality and job-related rehabilitation. In

Austria, occupational integration management (part-time reintegration) was introduced by law in 2017. introduced by law.

## REWE Group Sustainability Report 2020

### Training and development

Constant change is currently shaping the labor market: Digitalization is changing the world of work and demographic change is resulting in a shortage of skilled workers. The promotion of training and continuing education is therefore particularly relevant for companies: In this way, they can build up the knowledge they lack, qualify their employees accordingly, meet new challenges such as new challenges such as digitization and thus position themselves for the future.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and the environment. products, energy, climate and environment, employees and social commitment. developed. In addition, five fields of action have been defined within the framework of the Employees pillar defined: Values and culture, training and development, health and safety, career and life phases, and life phases, and diversity and equal opportunities. With the activities in the field of action REWE Group is pursuing the goal of positioning itself as an attractive employer in order to employer in order to attract talented employees to the company. In doing so, the company to recruit as many specialists and managers as possible from within its own ranks and to retain to bind qualified and motivated employees to the company in the long term.

GRI  
404:  
Training and  
Training

### Management approach

REWE Group offers around 25 different training opportunities ranging from retailing or wholesale and foreign trade, food production, IT, logistics and in the professional field of

tourism. REWE Group offers trainees with good performance a guaranteed guaranteed employment after graduation. REWE Group employs a total of Austria (scope of the sustainability report) 9,849 trainees.

REWE Group offers all employees and managers a comprehensive internal training and further education program. and further training programs that are geared to the development of both personal and professional skills. competencies. As a matter of principle, the training programs are developed are developed specifically for each sales division in order to meet the different requirements of the sales requirements of the sales divisions and at the same time take into account the individual needs of the employees. In addition, personnel development programs and training courses are offered to employees and managers from all areas of the company. which employees and managers from all sales divisions can take part. At This promotes Group-wide networking and gives participants an insight into other sales divisions.

insight into other sales divisions.

The topic of sustainability also plays a role in internal training and development. trainees, employees and managers of the REWE Group gain insights into sustainability REWE Group managers gain insights into general and specific sustainability topics.

With the goal of increasing the share of internal appointments to management positions to 80.0 per cent by 2025, the ratio was the ratio was 72.4 percent in the reporting year (2019: 79.7 percent).

KPI  
Target  
Status

Internal appointments to management positions  
Increase to 80.0 % by 2025  
72,4 %

REWE Group also aims to steadily increase the trainee ratio or at least maintain it at the level of of 5.4 per cent. In the year under review, the proportion of apprentices in the workforce was 5.3 percent, slightly below the target value of 5.4 percent.

KPI  
Target  
Status

Trainee ratio (proportion of trainees in total workforce inFull Time Equivalent)  
Maintain at 5.4 percent by 20255.3 percent  
Measures  
and  
projects  
in  
the  
areas  
Training  
and  
Study

REWE Group implements a large number of different measures and projects that aim to increased support within the framework of training and studies. Particularly in

sales, the individual sales divisions of REWE Group attach great importance to taking on their employees after they have completed their training and to provide them with targeted and to promote them in specific programs. Preparation for a position as a manager in the store takes between two and lasts between two and three years, depending on the sales division.

Targeted support for trainees with special learning concepts

Against the backdrop of the corona pandemic in 2020, digital learning concepts have again in 2020, digital learning concepts have become even more important. For example, REWE Group made a lot of additional learning content available online and conducted virtual training sessions. and conducted virtual training courses.

In the context of training, REWE Markt GmbH relies not only on face-to-face events but also on e-learning and blended learning concepts that combine classroom and online training. Apprentices at REWE can use the learning app "Fresh Knowledge" to prepare for their exams at any prepare for their exams or acquire merchandise knowledge at any location. Different game formats such as quizzes, flashcards, and a glossary offer variety learning. The app was updated, expanded and made more user-friendly in the reporting year. more user-friendly.

To further improve training, PENNY is working together with Prozubi - an online learning platform for trainees in commercial professions. With numerous quiz questions that are IHK examination questions, trainees can prepare for their final examinations. prepare for their final exams. PENNY also introduced a learning app for its trainees and integrated sustainability topics into the training plan. sustainability topics firmly into the training plan.

Apprentices in Austria are also offered a learning app as part of REWE International AG's career training program. are also offered a learning app. This supplements the training offers and exam preparation with special events and current content. In addition, 184 apprentices had the opportunity apprentices at BILLA had the opportunity to manage nine stores for a certain period as part of the apprentice academy. for a certain period of time as part of the Apprentice Academy and to learn from this responsibility. In addition to this, 181 apprentices at REWE International AG were offered a basic skills training program to prepare them for to give them special support with a view to vocational school.

At DER Touristik, learning mentors provide support during training. Because of the the Corona pandemic, additional digital learning formats were created in order to were created to compensate for the internal training courses that were cancelled.

## Attracting trainees

Since 2012, apprentice marketing has been entirely the responsibility of the individual sales divisions.

In this way, they can recruit new trainees in a targeted manner and ensure that they have the ensure the demand for skilled workers. The apprenticeship campaign of REWE Markt GmbH takes place essentially essentially take place in the social networks Instagram, Youtube and Facebook. There will be own career channels, but also target group-specific training websites are used. are also used. At certain times, digital media campaigns are supplemented by radio and print campaigns. print campaigns. In addition, school cooperations, applicant trainings, editorial contributions in career magazines and participation in trade fairs were intensified.

Online campaigns were also conducted for PENNY via Facebook and Spotify Ads, as well as advertising on Instagram were carried out. To increase the reach of the campaigns, there were also cooperation with social influencers and bloggers. In addition, PENNY presented PENNY presented its apprenticeship programs on the [deinerstertag.de](https://www.deinerstertag.de) website in the reporting year and

provided an  
and provided an insight into everyday working life.

DER Touristik ran the "DER sucht Dich" campaign on Instagram. In addition, trainees as training ambassadors to help recruit new trainees. At Lekkerland, a training campaign for the logistics sector was carried out in the reporting year. was carried out. For example, mailings were sent to schools and youth centers. The company also advertised its training positions online on various student portals. portals.

The sales divisions in Austria also prefer social media channels for advertising. These include Facebook, Snapchat, Instagram and Google Search in particular. In order to optimally reach the target target group, banners were also placed on the Google Display Network in the reporting year. A career website for apprenticeships at all retail companies in Austria is advertised at trade fairs and via joint trade fairs and via joint advertisements.

## Sustainability in training

REWE Group integrates the topic of sustainability into classroom training sessions during apprenticeships. In In all sales divisions, the trainees independently carry out small projects and assume assume responsibility.

- 

REWE trainees in wholesale and foreign trade (administration) each complete 40

hours in a social institution.

- 

The trainees at REWE Group headquarters carry out mandatory sustainability projects in their first year of training.

mandatory sustainability projects during their first year of training.

- 

All trainees at PENNY receive annual training on the topic of sustainability; in the In 2020, the trainees developed communication measures for the PRO

PLANET label.

In the reporting year, many projects had to be cancelled or postponed due to the Corona pandemic. postponed.

## Promoting young talent with the REWE Group Star

Within the framework of the Group-wide REWE Group Star competition, trainees and young trainees and junior staff are motivated to live sustainability. to live. The aim is to strengthen the idea of sustainability within the company in this way. within the company in this way. As a team, the employees work out sustainability issues that they want to promote. then plan specific projects and implement them implement them on their own responsibility. In 2020, seven teams submitted their projects. The winners were honored at a digital awards ceremony. awards ceremony. First place went to the project "Lebensspender" ("Life Donor") for about organ donation. By selling "colored bags", the team donated the team donated over 1,600 euros to the Bundesverband Kinderhospiz e.V.

## Supporting scholarship holders

In 2020, REWE Group continued to support 14 scholarship holders via the Germany scholarship. The selected students of economics come from the come from the University of Cologne and the Cologne University of Technology. Through the financial support, but also through excursions to production sites and warehouse locations as well as regular regular mentoring meetings, the scholarship holders get to know REWE Group as an attractive as an attractive company for a potential career start.

## Studying with REWE Group

In addition to the classic apprenticeship professions, REWE Group offers the possibility of dual studies, among others together with the European University of Applied Sciences (EUFH), the Baden-Württemberg Cooperative Baden-Württemberg University of Applied Sciences (DHBW), the University of Applied Sciences in DHBW Mannheim and Ravensburg, and the Frankfurt University of Applied Sciences. The programs focus in particular on retail, tourism and event management as well as business

event management and business informatics. In the period under review, a total of 242 dual students were enrolled in the reporting period.

In addition, REWE Group offers employees with a bachelor's degree a customized a tailor-made part-time master's program leading to the degree of "M.A. International Retail Management" in cooperation with ESB Business School at Reutlingen University. Reutlingen University. The program imparts key qualifications in national and international retail management. During the attendance phases, students are released from work. are released from work during the attendance phases. REWE Group bears the majority of the costs, while the participants contribute financially. participate financially. In October 2019, twelve employees from the different national and international national and international sales divisions. They will complete their studies in October 2021. Here, too, the originally planned classroom events were held virtually.

took place.

## Trainee programs as entry opportunities for university graduates

REWE Group's trainee programs offer university graduates from a variety of disciplines an interesting and varied start to their careers. The 18- to 24-month programs take place predominantly in the respective focus area. In addition, they also spend time in relevant interface areas, including abroad. In the period under review, 28 university graduates began their on-the-job training. In Austria, nine trainees took part in the management and specific trainee programs during the reporting period. management trainee program and specific trainee programs, for example in the areas of commodities or IT.

In 2016, a commercial trainee program was launched, consisting of a 24-month training phase followed by a 12-month training phase followed by a 12-month assignment as a store manager. The program is aimed at university graduates with a desire for independence and a strong interest in retail. a strong interest in trading - the goal is to become self-employed as a REWE merchant. -businesswoman. In addition to the main focus on assignments in various stores, the training also includes stores, as well as assignments in the field service, the respective regional headquarters and the corporate headquarters in Cologne. Four trainees started in 2020, and more are planned for 2021. planned.

GRI  
404-2:

Programs  
for  
improvement  
the  
competencies  
of the  
employees

REWE Group promotes the education and training of its employees in a targeted manner with various concepts and programs. further training of its employees.

## Personnel development programs

Within the framework of systematic personnel development, target group-specific programs are offered in each sales division to provide employees in both sales and logistics and administration important skills for their respective areas of activity or prepare them for further tasks or for a role as a manager in the store, sales or administration. as a manager in the store, in sales or at headquarters.

In 2019, a new training landscape for REWE Markt GmbH, the REWE

Academy for managers, was developed. The academy started in 2020, but due to the only around 20 percent of the planned training in sales and logistics could be carried out. Classroom training sessions were held under strict hygiene regulations. In addition, the concept for the academy for service and fruit & vegetable specialists was finalized in 2020. and Fruit & Vegetables were finalized. The four-stage programs for the specialized training of training programs for employees form the basis for filling sales positions from our own ranks. from within the company. In this way, REWE is actively addressing the shortage of skilled workers. The academies are supplemented by the region-specific offering.

For middle management, special training courses have been offered Group-wide since 2018, as well as the program called "Future Journey" to prepare this important target group for the future prepare this important target group for future challenges in their professional lives in terms of innovation and leadership. and to network more closely with each other. Around 75 participants have now completed the program. completed the program. With the Management Academy, REWE Group offers both programmatic and individual programmatic as well as individual support and preparation for further tasks. tasks. All of the programs also offer an examination of the topic of sustainability at different levels: Reflection and discussion of one's own attitude on the one hand and practical activities in the context of excursions on the other. As part of the Management Academy, a special sustainability seminar was held in the reporting year. at which internal and external speakers presented current topics in the field of sustainability. sustainability topics - due to the Corona pandemic, most of the programs were conducted digitally. Due to the Corona pandemic, most of the programs were conducted digitally.

Other examples of programs in the area of human resources development:

- 

At the store level, PENNY develops and promotes leadership development through its program DISCOUNT, or "FEDI" for short, PENNY develops and promotes prospective and new store managers and prepares them professionally and prepare them professionally and personally for this position. The Junior Campus training courses help young merchants on their way to becoming self-employed. The program had to be temporarily cancelled due to the pandemic.

- 

The IHK-certified "Training of Trainers" and regular training workshops are offered to trainers. workshops are offered to trainers.

- 

At REWE, 90 regional trainers were trained in 2020 to conduct virtual training courses. training with a view to the virtual implementation of training courses.

-



Lekkerland promotes specialist managers in logistics in the so-called Team Manager-program and prepares junior staff for their tasks in the high-potential program.

•

In 2020, toom Baumarkt launched a new personality development program for its employees. personality development program. Many seminars were held digitally.

#### Further training

A wide range of seminars is offered to all employees. It is held for REWE Group, REWE Markt GmbH, PENNY, toom Baumarkt and all other companies at the Cologne location. centrally via a Learning Center. Regional seminars are offered in all regions and sales divisions, regional seminars are offered. Additional specialist academies for the Human Resources, Real Estate, Accounting, Merchandise, and IT departments extend the range of qualifications on offer. The seminars are tailored to the (future) needs of the respective target target group and provide employees with specialist training and development. further. Due to the pandemic, some of the seminars were held online in the reporting year, Classroom training was conducted in accordance with the applicable hygiene regulations. In order to meet the the challenges posed by the Corona pandemic, additional live online seminars were online training courses on topics such as virtual leadership, working in a home office and digital home office and digital team collaboration.

Onboarding, i.e., the integration of new employees, is also on the agenda of all the sales divisions. For this purpose, REWE's welcome website was expanded in the year under review to include the employees of merchandisers. Here, new employees can find detailed information about their employer as soon as they sign their contract.

Since 2019, new employees have been trained in the areas of checkout, delicatessen, and fruit and vegetables at 24 BILLA stores in Austria. in the areas of checkout, delicatessen, and fruit & vegetables. A welcome folder for new new employees can be found on the intranet. In addition, a welcome day for new employees is held several times a year. Welcome Day for new employees is held several times a year, during which the departments are introduced. In 2020, this format was implemented virtually. The onboarding of trainees also took place at

BILLA and MERKUR also took place digitally due to the Corona pandemic. The new trainees were introduced to the company with a digital scavenger hunt.

#### Managers targeted further training

In addition to a wide range of further training opportunities for all employees of the REWE Group, the company offers special training programs for middle and senior middle management and senior executives. The goal of the LEAD 4.0 program is to strengthen the role of managers, prepare them for the

prepare them for the challenges of the future and promote international networking. international networking. The seminars cover the topics Leadership and communication. Due to the Corona pandemic, many formats were year under review, many formats were implemented in virtual form.

The sophisticated internal myCampus continuing education program serves the knowledge acquisition and cross-company networking of senior and cross-company networking of the upper management levels. myCampus relies on classroom training, lectures and coaching for the development of competence development.

## Digital learning and blended learning

REWE Group is increasingly relying on digital learning and blended learning concepts. Digital has proven to be an efficient method of reaching all employees and offering them the opportunity to learn from home.

offer them the opportunity to learn from home. Blended learning, i.e. the combination of face-to-face seminars and digital learning formats, learning content is anchored more and practical transfer is promoted through repetition and follow-up. In addition significantly more training can also be offered at market level in this way. In the 2020, the Microsoft Teams program was introduced against the backdrop of the Corona pandemic as a new collaboration platform. new collaboration platform was introduced.

REWE Group is constantly testing and implementing new, innovative training concepts. For example piloted the use of the "Virtual Classroom" since 2019. The virtual knowledge transfer enables up to 50 people to participate in short training sessions without being on site.

The training portfolio includes around 100 e-learning courses across the company, some of which have legally required content, such as food and personnel hygiene, infection control, and occupational safety, infection control, or occupational safety. In 2020, nine statutory training courses were training courses were updated and prepared in such a way that they can be conducted on a mobile basis. In addition portfolio also includes voluntary learning opportunities, for example on career and succession planning for employees. succession planning for employees. The aim of the e-learning training courses is to impart practical knowledge with a partly playful character. The attractive and interactive training units are designed to support and educate employees through an intuitive employees via an intuitive learning format.

REWE and PENNY, the central departments in Cologne and the regions as well as other sales divisions have a cloud-based IT platform with the "Learning" module. For toom Baumarkt, DER Touristik and in Austria, there are separate e-learning platforms.

Overview  
Participants  
as well as  
online courses  
and  
classroom training  
2020

Completed  
Classroom training courses  
Completed online courses  
(partly digital due to corona)

Germany

REWE1  
901.918  
40.277  
PENNY  
208.363  
11.740  
toom DIY store  
81.537  
Not surveyed  
Central Retail D, production operations2  
, REWE digital and small  
44.641  
8.104  
Sales divisions  
Lekkerland  
1.711  
891  
Austria

All sales divisions  
309.730  
Not surveyed

1 incl. PETZ REWE and REWE To Go

2 Glocken bakery and quality butcher Wilhelm Brandenburg

Training on the topic of sustainability

All buyers at REWE Far East and in the non-food sector are instructed in relevant sustainability sustainability topics, such as the Code of Conduct of the amfori Business Social Compliance Initiative (amfori BSCI). Furthermore, there are training courses on raw materials, for which REWE Group has formulated specific guidelines - for example, on fish, palm oil and soy - and on specific topics of concern to REWE Group, such as the avoidance of environmentally

avoidance of environmentally harmful chemicals. All employees of the REWE and PENNY stores have the stores have the opportunity to learn more about the topic of sustainability via an e-learning tool. tool. This is updated on a regular basis. At REWE Group in Austria, all new employees from employees from the central departments and all trainees receive regular training on sustainability topics. on sustainability topics at regular intervals. In various event formats, managers can also managers can also obtain information on current trends and developments.

GRI  
404-3:

Employees,  
the  
a  
regular  
appraisal  
of their  
performance  
and  
their  
professional  
development  
receive

Systematic career and succession planning (KNP) is an important cornerstone of REWE Group's company-wide talent management at REWE Group. The goal of the KNP is to develop specialists and executives from within the company: High performers and high potentials are to be identified at an early stage and tied to the company in the long term. To this end, regular performance and potential assessments in the sales divisions and at headquarters, potential conferences and individual development meetings are held in the sales divisions and at headquarters.

The KNP process starts in each sales division and at headquarters with a review of the tasks in the job description.  
tasks in the job description. The manager assesses the performance of the employees on the basis of the task descriptions.  
performance of the employees on the basis of the performance of the tasks and competencies from the REWE Group competence model. These as well as the self-assessments of the employees are subsequently are then discussed by the management team in so-called potential conferences. In the managers of a hierarchical level or within a division or department talk about the within a division or department talk about the employees directly assigned to them. employees directly assigned to them. The aim is to develop common benchmarks for performance and potential, to establish targeted and effective development planning and create the basis for systematic for systematic succession planning. The potential conferences for top (top executives) and for the management levels below them are held annually. take place annually. For other management or employee levels, however, potential conferences can be held only every two years.  
For other management or employee levels, however, potential conferences can be held only every two years.

The subsequent annual development meetings with employees ensure that feedback is given on the performance of tasks.  
ensure that feedback on the performance of tasks, aspects of cooperation and questions on further personal and personal and professional development are discussed, documented and followed up in a targeted manner.

pursued in a targeted manner. The direct supervisor conducts the development discussion once a year with each of his/her each of his/her employees in private once a year. In 2020, the KNP process was introduced for 31,330 employees and managers at the head offices and for and logistics managers at PENNY, REWE and toom Baumarkt.

were carried out. At REWE Markt GmbH, there has also been a development talk since 2019 for all of the approximately 80,000 employees in sales since 2019. In this way, not only managers, but all employees in sales should receive feedback that is documented in the system. in the system.

Furthermore, the appraisal process for the REWE, PENNY, toom Baumarkt and the central divisions, as well as for all top executives across the company, on a cloud-based IT platform. The rollout was completed in 2020.

With the Talentsuite, the topic of integrated talent management (ITM) is intensified and processes of recruiting, learning and talent management with each other - with the aim of the search for talent, internal staffing and the further development of employees. simplify.

## REWE Group Sustainability Report 2020 Diversity and Equal Opportunity Diversity and Equal Opportunity

Demographic change, globalization, processes of individualization and a fundamental change in fundamental change in values result in an increasingly diverse society. Diversity can be an added value, especially in companies - cooperation promotes creative approaches and ensures adaptability. Equal opportunity participation within the within the company is becoming more necessary than ever. Promoting diversity within the company is an important factor for the success of a company.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with four central pillars: Green Products products, energy, climate and environment, employees and social commitment. developed. In addition, five fields of action have been defined within the framework of the Employees pillar defined: Values and culture, training and development, health and safety, career and life phases, and life phases, and diversity and equal opportunities. With the activities in the field of action Diversity and Equal Opportunity, REWE Group is pursuing the goal of remaining adaptable and ensuring fair to ensure fair cooperation.

GRI  
405:  
Diversity  
and  
Equal Opportunities

### Management approach

At REWE Group, people from around 150 nations have been working together peacefully and respectfully for many years. respectfully with each other. Without the many thousands of employees from different cultural backgrounds, REWE cultural backgrounds, REWE Group would not be able to maintain its business activities. Through diversity, the company improves its ability to adapt to changing market conditions and increases its

market conditions and increases its opportunities in the competition for qualified specialists. In the REWE Group's human resources management therefore takes care to promote a diverse employee structure and to discriminate against employees irrespective of gender, age, religion, sexual identity, origin or disability, and to guarantee jobs that are free of discrimination. At the same time, the company ensures that all employees are offered equal opportunities to all employees. This also includes equal remuneration for all genders.

To this end, the company has defined the following focal points:

- 

Inclusion ensures equal treatment of employees with disabilities. This

This includes, among other things, work areas and workplaces that are suitable for people with disabilities.

- 

Appreciation of cultural diversity is at the heart of cultural mainstreaming, with which REWE Group

REWE Group promotes intercultural, open structures and processes.

- 

Gender balance aims to promote a gender-specific advancement of professional and

personal skills and development opportunities.

The commitment to a non-discriminatory design of the company's human resources policy is set out in the Guideline

for  
sustainable

REWE Group's guiding principles for sustainable business practices. At the same time, it is of the Code of Conduct applicable to all employees and managers.

Code of Conduct applicable to all employees and managers. At the beginning of 2017, REWE Group also signed the Diversity Charter, a voluntary  
a voluntary commitment of the business community to diversity management.

Measures

and  
projects  
for  
promotion  
of  
diversity  
and  
equal opportunities

REWE Group actively works to promote diversity and equal opportunities in the company with a variety of different projects and measures.  
to promote diversity and equal opportunities within the company.

## Inclusion

REWE Group is committed to ensuring that all employees have the same opportunities. For people with disabilities and for people threatened by disabilities, the Disabled Persons' Representative Council and the Inclusion Officer are contact persons at all times. The representative for severely disabled persons advises them on applications to the pension office, on reintegration into the workplace after a long illness and all other legal questions. It also supports the employer in the inclusion of new employees. With REWE Group makes it possible for people with disabilities to work in administration and in the stores.

administration and in the stores - for example in the form of cashier workstations for employees in wheelchairs.  
for employees in wheelchairs.

Since 2017, a strategic cooperation has existed between REWE Group and the Aktion Mensch.

Respectful and responsible interaction with one another is also an integral part of toom's corporate culture.

part of toom Baumarkt's corporate culture. Already since 2014, toom Baumarkt has been cooperating with Lebenshilfe facilities across Germany since 2014. The focus here is on diversity in practice  
diversity and respectful cooperation between people with and without disabilities.  
projects within the framework of local partnerships, as well as internships and outsourced workshop workplaces (for more information, please see the section Projects and Sponsorships).

REWE Group in Austria pursues a holistic approach with regard to the topic of The vision "We think barrier-free and give employees, customers and partners the same opportunities" includes on the one hand  
partners" includes, on the one hand, increasing the number of handicapped employees with disabilities in the company itself - deaf employees in the stores as well as employees with deaf employees in the stores and people with autism in the central units.  
and, secondly, implementing accessibility in the stores and on the websites.  
and on the websites.

Thanks to numerous measures, REWE Group in Austria was able to reduce the number of employees with disabilities in the year under review.

the number of employees with disabilities to 720 in the year under review - an increase of 12 per cent over the previous year.

an increase of 12 per cent compared to the previous year. In addition, the job exchange of the REWE sales division in Austria was certified barrier-free by the "Web Accessibility Certificate Austria". certified. The certificate guarantees accessibility for all people on professionally tested websites. In the BIPA stores, people with disabilities were increasingly approached were increasingly approached in BIPA stores in order to recruit them as employees. And the BILLA and MERKUR

stores have taken on additional apprentices with disabilities. At the headquarters of REWE Group

Austria, people with disabilities are also responsible for pruning in cooperation with a workshop for the workshop for people with disabilities.

In the reporting year, REWE Group in Austria evaluated its DisAbility Strategy, which expired in 2019, and developed a new strategy. which expired in 2019, and developed a new strategy for the years 2020 to 2025.

In the reporting year, REWE Group in Austria also established "Diversity to go" and communicated it to employees via an app. communicated to employees via an app. As part of this, short videos with

experts on topics such as discrimination, feminism and gender identity. were published.

## Integration of refugees

REWE Group is committed to helping refugees integrate into society and professional life. professional life. To this end, trainee positions are filled by young refugees throughout filled. The hiring of refugees for apprenticeships - especially in sales and in logistics - takes place after intensive recruitment in the context of taster days and internships. Very very often, the refugees are first prepared linguistically and culturally in a six- to twelve-month introductory and are then taken on as apprentices.

The integration initiative "KIMAT" of REWE Region South helps to better integrate people with a history of people with a history of migration into the labor market and to promote intercultural togetherness. In 2016, the initiative was awarded the HR Excellence Award by Quadriga University and the trade magazine Human Resources Manager. The project builds bridges between origin and future, especially for refugees. Many of them are trainees at REWE, and others are being prepared for an apprenticeship with the help of language training. to prepare them for vocational training.

Refugees  
through  
mentoring program  
support

REWE Group is also committed to supporting refugees through its existing cooperation with JOBLINGE - an initiative to support socially disadvantaged disadvantaged young people and young refugees. In the programs JOBLINGE and JOBLINGE Compass, REWE Group employees act as mentors Group employees mentor young people in the JOBLINGE and JOBLINGE Compass programs in order to young refugees as early as possible and integrate them into the labor market. The employees of REWE, DER Touristik, PENNY, and toom Baumarkt can volunteer as mentors as part of the "Ehrensache" program. mentors as part of the "Ehrensache" program. There are now almost 170 mentor tandems nationwide. mentor tandems nationwide. In more than 580 internships, jobseekers have been given a practical more than 167 young people have been taken on as apprentices or in permanent permanent positions.



REWE Group in Austria carries out targeted recruiting of refugees. In addition to numerous internships, various apprenticeships have since been filled with young refugees.

## Integration of long-term unemployed

REWE Group is also committed to helping unemployed and long-term unemployed people over the age of 25 years of age without a vocational school diploma into the labor market. In the year under review year, 23 people started a partial qualification as a salesperson within 55 weeks. In January 2021, 13 people completed their training and have since been employed at REWE stores since then.

## Promotion of women

Like many other companies, REWE Group is confronted with an imbalance of women and men in top management positions. REWE Group wants to address this problem wants to counteract this problem with projects within the framework of the "Diversity at REWE Group" initiative. The program Women's Drive has been empowering more than 70 participating women with leadership roles. It consists of four seminars and an accompanying mentoring of internal managers and runs for one year. Under the name "f.ernetzt", a network for women was launched in 2019.

network for women at REWE Group. In the meantime, almost 260 female female managers and experts participate in the exchange on topics such as leadership, new work, personal development, and career and family. In addition, in the year under review virtual events were offered for collegial consultation and a networking event was held with more than with more than 100 participants.

Since 2017, REWE Group has also been a partner in the Cologne alliance "Mit Frauen in Führung". 16 Cologne companies pursue the goal of offering women and men equal development opportunities with numerous activities.

to offer women and men the same development opportunities. In addition to the regular exchange REWE Group participates in a cross-mentoring program with nine mentees and mentors. cross-mentoring program.

At BILLA in Austria, the results of an online survey on the topic of "Women in Leadership" were published in the reporting year.

of 300 female employees on the topic of "Women in Leadership" were evaluated. Important topics are management positions on a part-time basis and more flexible working hours. working hours. For this reason, an event was held in February 2020 with 100 managers under the title "Equal opportunities for women and men at REWE International AG - development of flexible and family-friendly career paths in the company". company" was held. In this way, the exchange was promoted and experiences of managers who lead on a part-time basis was shared.

In addition, the Austrian sales division BIPA received the seal of approval in the year under review. equalitA. It recognizes companies that promote women and their careers and ensure gender equality. gender equality.

Different  
together:  
LGBTIQ networking

drive forward

The nationwide LGBTIQ network di.to ("different together") pursues the to support employees in networking in the world of work and to promote the and to promote exchange across the boundaries of the respective sales divisions. di.to sees itself as the point of contact for employees who experience who experience disadvantages at work because of their sexual identity. The network now has around 300 members, and over 900 people follow its Facebook page. follow the network's Facebook page. In order to promote exchange, since 2020 a national virtual network meeting has been held four times a year with internal and external guests. external guests. In addition, since the reporting year di.to has been a partner in the PEPP - PROUT EMPLOYER PARTNER PROGRAM" network. It supports the establishment of a diverse work culture. A steering committee, consisting of the spokespersons for the six regional di.to-groups, is responsible for setting up the network, organizing network meetings and numerous events that generate donations for regional LGBTIQ organizations. regional LGBTIQ organizations. With the successful rainbow sticker campaign, di.to has in recent years called on all REWE and PENNY stores to promote tolerance and diversity by displaying the symbol on the store's entrance door. All toom DIY stores and all DER Touristik travel agencies have joined the campaign. joined in. In the year under review, di.to held most of its events in the city of Hamburg due to the Corona pandemic, di.to largely implemented its events in digital form. the online format of the Christopher Street Day in Berlin, for example. was supported. In addition, di.to donated 5,000 euros for the maintenance of a youth center for lesbian, gay, bisexual, trans\*, inter\* and queer queer youth.

GRI  
405-1:

Diversity  
in  
Control Bodies  
and  
at  
employees

The proportion of women in the total workforce of REWE Group was 66.2 per cent in 2020 (2019: 67.9 per cent). percent (2019: 67.9 percent). The proportion of women in top management is 10.8 percent, while around 46.0 percent of all managers are female (2019: 45.9 percent). The REWE Group has set itself the goal of achieving a balanced gender ratio in management positions (executives and top management) by 2025.

KPI  
Target  
Status  
Gender balance in management positions  
By 2025, achieve a balanced  
gender ratio in  
in management positions  
45.6% female, 54.4% male  
male

On December 31, 2020, the Supervisory Board of REWE - Zentral-Aktiengesellschaft (RZAG) had 18 ordinary members (16 men, 2 women). The Supervisory Board of REWE-ZENTRALFINANZ eG (RZF) had 20 ordinary members in 2020 (17 men, 3 women). There was no woman on the Management Board  
no women were represented on the Management Board during the reporting period. At REWE International AG, women were appointed neither to the  
appointed to either the Management Board or the Supervisory Board.

REWE Group records the employment rate of people with disabilities in Germany Social Code (SGB) paragraph 2 and in Austria in accordance with the Disabled Persons Employment Act (BEinstG). According to these definitions, the disability rate of the employees:inside REWE Group in 2020 was 3.0 percent (2019: 3.1 percent):

KPI  
Target  
Status

Disability rate by headcount\*Maintain at least at the 3.0% level by 2025\*.  
3,0 %  
\* The disability rate is calculated on a per capita basis and therefore has a different basis of calculation than the compulsory employment rate of  
of severely disabled persons in accordance with Section 154 of the German Social Code IX (Germany). The calculation of the disability quota by headcount was chosen in order to  
to be able to determine a uniform figure across all countries (Germany and Austria). The definition of people with  
Disability is defined in accordance with Social Code (SGB) § 2 (Germany) and Disability Employment Act (BEinstG) (Austria).  
In Germany, there is no comprehensive reporting obligation for people with disabilities. In the  
Therefore, all employees with a reported disability are taken into account in the evaluations.  
are taken into account.

Proportion  
of employees  
according to  
Category  
2020

Top Executives

Women  
10.8%

Men  
89.2%

Diverse  
0.0%

Not specified  
0.0%

Executives

46.0%

Women

Men

54.0%

Diverse

0.0 %

Not specified

0.0 %

Employees:inside

66.2%

Women

Men

33.8%

Diverse

0.0 %

Not specified

0.0 %

Composition  
of the  
employees:inside  
according to  
Employee category

Composition of senior controlling bodies											
Employees Senior executives Top executives											
Region	2018	2019	2020	2018	2019	2020	2018	2019	2020		
Total heads	Total	217,010	229,235	249,024	14,647	14,971	15,155	210	206	213	
Germany	178,791	190,419	209,652	9,487	9,767	10,000	178	174	181		
Austria	38,219	38,816	39,372	5,160	5,204	5,155	32	32			
Women in %	Total	68.6	67.9	66.2	46.2	45.9	46.0	11.0	10.2	10.8	
Germany	67.2	66.5	64.7	35.9	34.9	35.5	10.1	9.8	10.5		
Austria	75.1	74.8	74.2	65.1	66.4	66.5	15.6	12.5	12.5		
Men in %	Total	31.4	32.1	33.8	53.8	54.1	54.0	89.0	89.8	89.2	
Germany	32.8	33.5	35.3	64.1	65.1	64.5	89.7	89.9	89.5		
Austria	24.9	25.2	25.8	34.9	33.6	33.5	84.4	87.5	87.5		
Diverse in %	Total	- 0.0	0.0	- 0.0	0.0	- 0.0	0.0				
Germany	- 0.0	0.0	- 0.0	0.0	- 0.0	0.0					
Austria	- 0.0	0.0	- 0.0	0.0	- 0.0	0.0					
Not specified											
in %											
Total	- - 0.0	- - 0.0	- - 0.0								
Germany	- - 0.0	- - 0.0	- - 0.0								
Austria	- - 0.0	- - 0.0	- - 0.0								

Up to 30 years in % Total 30.7 30.6 31.9 13.8 13.4 12.0 - - -  
 Germany 30.0 30.0 31.5 13.3 12.8 11.3 - - -  
 Austria 34.1 33.6 33.9 14.5 14.6 13.5 - - -  
 31-50 years in % Total 40.0 39.4 38.9 59.4 59.8 60.4 46.2 44.2 43.7  
 Germany 38.8 38.3 37.9 59.5 60.3 61.4 46.1 43.7 42.5  
 Austria 45.6 45.0 44.3 59.1 58.8 58.4 46.9 46.9 50.0

Over 50 years  
 in %  
 Total 29.3 30.0 29.2 26.9 26.8 27.6 53.8 55.8 56.3  
 Germany 31.2 31.8 30.6 27.2 26.9 27.3 53.9 56.3 57.5  
 Austria 20.2 21.4 21.8 26.4 26.6 28.1 53.1 53.1 50.0

Percentage of people  
 with disabilities  
 by head\*  
 Total 3.0 3.1 3.1 1.8 1.8 1.8 1.4 0.9 0.9  
 Germany 3.4 3.4 3.4 2.1 2.1 2.0 1.1 0.6 1.1  
 Austria 1.3 1.6 1.7 1.3 1.3 1.3 3.1 3.1 -

\* The disability rate is calculated on a per capita basis and thus has a different calculation basis than the determination of the compulsory employment rate of severely disabled persons according to Section 71 SGB IX (Germany). The calculation of the disability rate by headcount The calculation of the disability rate by headcount was chosen in order to be able to determine a uniform indicator across all countries (Germany and Austria). The definition of People with disabilities are defined in accordance with Social Code (SGB) § 2 (Germany) and Disabled Persons Employment Act (BEinstG) (Austria).

Up to 30 years  
 31-50 years  
 Over 50  
 Year  
 Heads  
 Women %  
 Men %  
 %  
 %  
 Years %

Board of Directors  
 2018  
 4  
 0  
 100  
 0  
 25  
 75  
 2019  
 4  
 0100  
 02575  
 2020  
 4  
 0100  
 02575

Supervisory Board D  
 2018  
 31  
 16

84  
0  
19  
81  
2019  
31  
16  
84  
0  
22,6  
77,4  
2020  
32  
25  
75  
0  
31,3  
68,7

Board of Management RIAG  
2018  
5  
0  
100  
0  
60  
40  
(Austria)

2019  
6  
0100  
05050  
2020  
5  
0100  
06040  
Supervisory Board  
2018  
5  
0  
100  
0  
40  
60  
(Austria)

2019  
5  
0100  
04060  
2020  
4  
0100  
05050

Share

of  
employees  
with  
foreign  
nationality

Employees  
Managers  
Region  
2018  
2019  
2020  
2018  
2019  
2020

Total heads  
Total  
217.010  
229.235  
249.024  
14.647  
14.971  
15.155  
Germany  
178.791  
190.419  
209.652  
9.487  
9.767  
10.000  
Austria  
38.219  
38.816  
39.372  
5.160  
5.204  
5.155  
Heads foreign  
Total  
31.426  
34.101  
38.882  
1.400  
1.510  
1.590

Nationality

Germany  
21.570  
23.665  
27.847  
597  
628  
665  
Austria

9.856  
10.436  
11.035  
803  
882  
925  
Proportion of foreign employees  
Total  
14,5  
14,9  
15,6  
9,6  
10,1  
10,5

Nationalities

in %  
Germany  
12,1  
12,4  
13,3  
6,3  
6,4  
6,7  
Austria  
25,8  
26,9  
28,0  
15,6  
16,9  
17,9

Top  
Executives20182019202021020621317817418132323216151776799107,67,38,03,93,43,928,128,131,3  
GRI  
405-2:

Same  
Wage  
for  
equivalent  
work

For REWE Group, equal pay for comparable work is central. For the most part this is ensured by the collective bargaining agreements - because payment is based on the respective pay group and is independent of gender or other factors. At REWE Group 98.3 per cent of employees are covered by collective agreements and/or company agreements.

covered. In relation to the scope of the sustainability report, including the self-employed merchants including self-employed merchants, the figure is 72.8 per cent. In the case of the REWE retailers, collective bargaining is generally established by a company joining an employers' association. established.



In 2017, the Remuneration Transparency Act came into force. Its purpose is to ensure equal pay for women and men for the same work or work of equal value. In the reporting year twelve inquiries were received from employees on this topic. With regard to employees can turn to the central Compensation & Benefit department for information on equal pay. Compensation & Benefit. This process is coordinated with the works councils.

## REWE Group Sustainability Report 2020

### Equal treatment

Discrimination refers to the disadvantaging of individuals or groups of individuals on the basis of certain characteristics. The prohibition of discrimination is defined as a human right and forms the basis for respectful forms the basis for respectful cooperation. In companies in particular, the equal treatment of employees is an important element, particularly in companies.

In order to integrate sustainability as an integral part of corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and the environment. products, energy, climate and environment, employees and social commitment. developed. In addition, five fields of action have been defined within the framework of the Employees pillar defined: Values and culture, training and development, health and safety, career and life phases, and life phases, and diversity and equal opportunities. The activities in the area of Equal Treatment are assigned to the Diversity and Equal Opportunity field of action.

GRI  
406:  
Non-discrimination

### Management approach

REWE Group cultivates a corporate culture that is characterized by trusting and respectful dealings between and respectful interaction between customers, employees and business partners. This is anchored in the basic values of the company. In addition, all employees and business business partners the guideline for sustainable which contains an express formulation regarding the formulation with regard to the prohibition of discrimination: "We do not tolerate any discrimination in employment and occupation on the basis of gender, skin color, religion, ethnic ethnic origin, age, nationality, marital status, sexual orientation, disability, social

social origin or political opinion." This principle applies to both the hiring new employees, for employees in existing employment relationships and for business partners. business partners.

All sales divisions have contact persons to whom employees can turn in the event of discrimination. in the event of discrimination, including in the Compliance and Works Councils and in the di.to network.

Works Council and the di.to network (for more information on di.to [different together], see the section on diversity).

see section Diversity  
and

equal opportunities). In addition, employees can

can also approach managers and the HR department. Any indications of discrimination are systematically pursued, and confidential treatment is of course guaranteed.

guaranteed. In this context, personal discussions are held with those affected and the works

and the works council is involved. At REWE Group in Austria, four new contact persons were

four new contact persons, processes were revised and a secure database for the administration of the

and a secure database was implemented for the administration of incidents.

GRI

406-1:

Discrimination incidents

and

taken

Remedial Measures

REWE Group consistently follows up on all indications of discrimination and punishes them with disciplinary and, if necessary, personnel measures. In the period under review, there were no Germany during the reporting period that were legally pursued.

In Austria, six employees reported sexual discrimination to their contact persons in the works council or the

their contact persons in the works council or HR department. In five cases the discriminators were discriminators were dismissed, and in one case the person concerned merely wanted counseling.

counseling. With the campaign "Sexual harassment and discrimination - NO thank you!

REWE Group in Austria informs its employees about ways to take action against such incidents.

against such incidents. Specially trained employees are available at all times to assist affected persons in the

anonymous conversation or to take active steps against such incidents.

steps. In addition, the Works Council has published a brochure on the topic of

"Equal Treatment - No Chance for Discrimination". This was updated in the reporting year for the 2021 edition in gender-neutral language.

REWE Group Sustainability Report 2020

SocialCommitmentSocialCommitment

As a reliable partner, REWE Group is committed to doing its part wherever it operates and in poorer regions of the world.

regions of the world. In doing so, the company relies on strong partner organizations that, with their with their local experience - a special concern in this context is the establishment of long-term partnerships.

special concern in this context is the establishment of long-term partnerships on which all involved can rely on. REWE Group's strategic partners include Naturschutzbund

Germany e.V. (NABU), the funding organization Aktion Mensch e.V., Tafel Deutschland e.V.

and Kindernothilfe e.V. Whenever possible, REWE Group involves its customers and employees in projects.

employees in projects. This strengthens the sense of community and increases the reach of the projects. of the projects.

Among other things, REWE Group is committed to the development of children and young people and pursues the goal of overcoming inequality of opportunity. For example, the company supports socially disadvantaged young people during their school years and when they enter the world of work and promotes equal opportunities for children and young people throughout Germany. In addition REWE Group is also involved in projects that introduce children and young people to a healthy lifestyle at an early age. to a healthy lifestyle with plenty of exercise and a balanced diet. balanced diet. Access to education also plays an important role in REWE Group's international commitment. also plays an important role. For example, the company supports school construction projects all over the world, thus world, thus helping to improve the educational opportunities of children and young people.

In order to anchor sustainability in society, well-informed consumers are needed. consumers. Only these consumers will consider the issue and include it in their purchasing decisions. include it in their purchasing decisions. REWE Group therefore promotes awareness of sustainable awareness among children and adults for more sustainable consumption and a more balanced diet.

and involves them in its commitment to biodiversity and environmental protection. Through campaigns in its the company reaches numerous customers and raises their awareness of a more sustainable more sustainable lifestyle. In doing so, REWE Group relies on a variety of formats - from informative campaign weeks to the generation of donations through the sale of selected products. through the sale of selected products. And within the framework of its membership in the Stiftung REWE Group also promotes projects to teach children and young people, in particular, important consumer skills. important consumer skills.

## Fields of action

In the pillar of social commitment, REWE Group has identified the following four areas of strategy process, REWE Group has identified the following four fields of action: Conscious nutrition and exercise, opportunities for children and young people, conscious handling of food, and Biodiversity and environmental protection. The fields of action apply to the entire REWE Group, whereby each sales division covers at least two fields of action with its commitment.

Steering across all fields of action is the responsibility of the project group "Social Commitment". Commitment" project group, which has been under the leadership of Dr. Daniela Büchel (Divisional Board Member Retail Germany - HR and Sustainability).

## Key figures

In order to make its progress in the pillar of social commitment measurable, the REWE Group records key figures for selected projects in the respective fields of action. It all projects are included in the reporting that have a budget of at least 30,000 euros or are of particular relevance for the company. 30,000 or are of particular relevance to a sales division. As an overarching indicator The proportion of projects with a duration of at least two years is recorded as an overarching indicator. long-term projects in particular are expected to be highly effective.

Key figure  
Status  
Measures

Proportion of long-term projects (> two  
88 %  
See section Projects  
and  
Funding

years)  
Field of action  
Conscious  
nutrition  
and  
Physical Activity

In the year under review, the number of children and young people reached by three projects was recorded.  
were recorded. In particular, these involved nutrition workshops with children in daycare centers and soccer clubs and the provision of healthy food for school classes. Due to the

the closure of schools and daycare centers due to the pandemic, the projects had to be temporarily suspended.  
had to be suspended for a time.

Key figure  
Status  
Measures

Number of children and young people reached  
43.271  
See section Projects  
and  
Grants

(2020)  
Field of action  
Opportunities  
for  
Children  
and  
young people

In the year under review, the number of children and young people reached by eleven projects was recorded.  
were recorded. The focus is on their future prospects - this includes in particular the support for socially disadvantaged children and young people in their learning, vocational vocational training and by improving their living conditions, as well as promoting the construction and construction and renovation of schools worldwide.

Key figure  
Status  
Measures

Number of children and young people reached  
12.580  
See section Projects  
and  
Grants

(2020)  
Field of action  
Conscious  
handling  
with  
Food

In the year under review, a total of four projects were recorded that contribute to the conscious use of food.  
with food. The focus was on consumer education and collaboration with the  
with the food banks. Against the backdrop of the Corona pandemic, the sales divisions REWE, PENNY and toom Baumarkt sales divisions in Germany provided unscheduled support to the food banks. In addition, the  
the share of REWE and PENNY stores in Germany and of stores operated by the sales divisions in Austria, which cooperate with the food banks and thus make a contribution to the  
rescue of foodstuffs.

Key figure  
Status  
Measures

Percentage of stores (REWE and PENNY in Germany and sales divisions in Austria) that cooperate with food banks (2020)  
84 %See section ProjectsandSubsidies  
As part of the participation in the National Dialogue Forum on Food Waste and the support for the National Strategy for the Reduction of Food Wastage of the Federal Ministry of Food and Agriculture, food losses in REWE stores were reduced in 2020. Food waste in REWE and PENNY stores in Germany was measured. Meanwhile REWE and PENNY sell an annual average of over 98 percent of their food. By 2022 concrete reduction targets are now being worked out.

Field of action  
Biodiversity  
and  
environmental protection

Six projects to promote biodiversity and environmental protection were recorded in the year under review. The focus was also on educating and raising awareness among consumers.

Key figure  
Status  
Measures

Project total (2020)  
3,432,500 euros  
See sections Projects  
and  
Grants  
and Biodiversity

Nine further projects cannot be assigned to any of the four fields of action. Their total volume (donations and project budgets that make a contribution to society) amounted to over 20 million million euros, of which almost 1.5 million euros came from customer donations.

UN  
Sustainable  
Development  
Goals

As part of an analysis from 2016, REWE Group aligned its sustainability strategy with the Sustainable Development Goals (SDGs) and identified and prioritized the SDGs relevant for it. and prioritized them. As a result, REWE Group's social engagement pays pays towards the global goals of more sustainable development, including SDG 12: Responsible Consumption as well as SDG 4: Quality Education and SDG 1: No Poverty. In the As part of this analysis, REWE Group's sustainability managers and external stakeholders stakeholders rated SDG 12: Responsible consumption as highly relevant for the REWE Group (see section REWE Group (see also section Sustainability Strategy).

Reporting

In the GRI report, the main topics of the pillar Social Engagement can be can be found:

- 

Projects  
and  
Grants

- 

Child protection

REWE Group Sustainability Report 2020  
ProjectsandFundingProjectsandFunding

As an internationally operating trading company, REWE Group also bears responsibility beyond its core business. With the help of strong, long-term partnerships and committed and committed employees, the company implements a large number of different projects and measures that

and measures that benefit society.

In order to integrate sustainability as an integral part of corporate processes, REWE Group has developed a comprehensive sustainability strategy.

REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and the environment.

products, energy, climate and environment, employees and social commitment.

have been developed. Within the framework of the Social

In addition, four fields of action have been

fields of action were defined in order to develop targeted measures: Conscious nutrition

and physical activity, opportunities for children and young people, food awareness, and biodiversity and

and biodiversity and environmental protection. By implementing projects, REWE

Group pursues the goal of advancing the individual fields of action by implementing projects.

GRI

203:

Indirect  
economic  
impacts

## Management Approach

REWE Group sees itself as a good corporate citizen - i.e. it assumes responsibility within the scope of its possibilities, it assumes responsibility where it is economically active and where help is needed.

It is particularly committed to children and young people and advocates healthy nutrition and the conscious

healthy nutrition and a conscious approach to food (see also the section on

Social

Commitment).

In all activities involving donations and sponsoring, REWE Group applies a

Group-wide guideline that serves as a fundamental set of rules. Accordingly, the

company ensures that projects and initiatives are in line with REWE Group's mission statement and that they

REWE Group's mission statement and are in line with its compliance and sustainability principles. sustainability principles.

GRI

203-1:

## Infrastructure Investments

and

funded

Services

REWE Group promotes investments in infrastructure and services at its locations as well as in destinations and countries where special support is urgently needed.

A great many projects in the area of social commitment are implemented by the

independent merchants in the vicinity of the stores. These account for a large proportion

of all projects and therefore make a significant contribution to the commitment. A

REWE Group focuses on long-term partnerships with charitable organizations.

organizations. Another focus is on improving access to education, for example, through the

building schools and supporting educational institutions. In the following selected projects from the reporting period. For the most part, these were completed despite the restrictions imposed by the Covid 19 pandemic. In addition to REWE Group supported its partners in the reporting year, particularly in overcoming the challenges particularly in overcoming the challenges posed by the pandemic.

Cohesion  
in  
the  
Corona pandemic:  
Support  
the  
Tafeln

Since 1996, REWE Group has been one of the main supporters of the more than more than 950 local food banks nationwide. It has also been a sponsor of numerous sponsor of numerous events organized by Tafel Deutschland e.V. The Corona pandemic presented the food banks with special challenges: The protection The protection of volunteers and customers must be ensured. The The frequency with which the food banks are frequented has changed considerably in many places. On the one hand On the one hand, many people affected by poverty do not take advantage of the services of contagion; on the other hand, more and more people who previously did not people who were not previously dependent on external assistance. external help. Against this backdrop, REWE Group supported the food banks in the year under the year under review even more than before with donations in cash and in kind and mobilized its customers to do the same. For example, the REWE and PENNY sales lines as well as the regional company REWE West launched voucher campaigns. launched voucher campaigns: Customers were able to buy vouchers online which were then distributed to local food banks. In this way, customer donations of almost 70,000 euros were collected. The sales divisions also supported the also supported the food banks with cash and in-kind donations totaling

460,000 euros. As part of the #TEAMPLAYER project, donations were made at REWE, PENNY, toom Baumarkt and nahkauf, masks were also available for purchase. REWE Group donated an additional 200,000 euros to the food banks. donated.

Despite corona-related constraints, the annual campaign "Gemeinsam Teller füllen" ("Fill your plate together")

"Filling plates together!" campaign, which has been taking place annually since 2009, could also be implemented: REWEand

stores and the REWE online store called on customers to buy donation bags.

to buy donation bags. In this way, almost 950 food banks nationwide were able to

with a total of around 560,000 bags filled with long-lasting foodstuffs

such as noodles, rice or soup worth 2.8 million euros.

The REWE sales division donated 40,000 of these bags.

Help

for

Homeless

With the motto "Christmas for all", the Christmas celebration at PENNY stood for humanity and solidarity. and solidarity. In 2020, as part of this campaign, PENNY donated the sales proceeds of chocolate Christmas figurines to the German Red Cross (DRK), which helps the homeless. (DRK). The sales division topped up the total donation, bringing it to a total of 500,000 euros.



was raised. This will support 17 local projects for the homeless - including Warming tents in which homeless people can spend the night and receive food, cold weather buses, which distribute sleeping bags, clothing and hot drinks in winter, and Christmas dinners for the homeless. affected people. Due to the large number of customers, an online donation option was also set up. donation option was set up for DRK projects. This resulted in an additional 25,000 euros was raised.

In addition to this, toom Baumarkt is also committed to helping the homeless by supporting the association

Little Home Köln e.V. association. The association provides homeless people with mobile mini-homes and and thus a sheltered living space to help them find their way back into society.

Among other things, toom Baumarkt is providing the building materials required for the "Little Homes". In the 2020 cooperation year, a further 15 mini-homes could be built.

Together  
for  
Haiti

Since the severe earthquake in 2010, the REWE Group has been working in cooperation with Kindernothilfe in Haiti to improve access to education for children and young people. Through

REWE Group's support and the strong commitment of its employees have so far a donation sum of more than four million euros. The money was mainly used for the reconstruction of the destroyed Collège Véréna school in a poor district of Port-au-Prince.

where around 1,500 children can attend. In addition, since 2015 various projects for Restavèk children - children from rural regions who have been sent by their poor families as laborers to host families.

families to host families in the city - have been supported in order to provide them with basic provide them with a basic school education. A scholarship program of REWE Group

Since 2016, a scholarship program of REWE Group has enabled particularly needy graduates of Collège Véréna as well as Restavèk

children to pursue vocational training or university studies.

In the reporting year in particular, the Corona pandemic necessitated intensive local support.

was necessary on site. For example, REWE Group made funds available to provide vocational training at the Collège

Véréna school, which has been supported by REWE Group for several years, to meet the new hygiene requirements

and to provide the necessary equipment such as (reusable) masks, disinfectants and water dispensers, disinfectants or water dispensers. REWE Group will continue its commitment in

Haiti in the future. The company has set up a fund for this purpose, from which maintenance work and necessary purchases can be paid. Also

sponsorships, the scholarship program and the Christmas party will continue to be made possible by these Christmas party will continue to be made possible by these funds. In addition, starting in 2021, the Kindernothilfe project "Protecting the

Kindernothilfe project will be supported by donations from REWE Group employees.

The focus is on environmental protection and disaster prevention.

The  
DER  
Touristik  
Foundation

With its non-profit association DER Touristik Foundation, DER Touristik, as an international travel group is committed to its social responsibility towards the people and nature and nature in the countries in which it travels. The potential of tourism is to be used to protect the environment and protect the environment and promote economic development in the host countries. Through the DER Touristik Foundation, DER Touristik bundles its social commitment commitment beyond the scope of its business activities and ensures that sponsorship projects receive effective and sustainable support.

The DER Touristik Foundation is committed to improving the social and economic conditions of living conditions and ecological habitats in less developed tourist regions worldwide. tourism regions worldwide. Educational measures are intended to create prospects for the future and empower local people to reduce poverty and inequality, contribute to contribute to growth and prosperity, and to work for the conservation of nature and wildlife. wildlife.

Together  
also  
in  
difficult  
times:  
Support  
during  
the  
Covid 19 pandemic

As a result of the Covid 19 pandemic, many aid organizations in emerging and developing countries are receiving significantly less donations. In addition, the worldwide travel travel restrictions and warnings, hardly any vacationers are coming to these regions. Consequently, there is currently little or no income in many places. Against this backdrop, the DER Touristik Foundation 2020 has decided, in addition to the current decided to continue supporting some projects that have already been completed, as well as to as well as to include new projects in its support. For example, DER Touristik supported the Touristik supported the Kleinmond Care Center youth center in South Africa in the year under review, which was forced to close temporarily due to the Covid 19 pandemic. food parcels to the children's families and continuing to pay the salaries of the employees. employees were paid. Because the pandemic led to a resurgence of poaching in the Kruger National Park in South Africa, the DER Touristik Foundation is also supporting the anti-poaching Foundation also supports the anti-poaching unit "Black Mambas" of the environmental organization Transfrontier Africa and the associated Bush Babies Program. Program. In this way, the animals are protected from poaching, the livelihood of the organization's and young people are sensitized to environmental education and animal welfare. animal protection.

Since 2014, the DER Touristik Foundation has supported the construction and renovation of more than 55 schools in 21 countries on five continents. schools in 21 countries on five continents. In 2020 alone, with the help of the donations, a total of six school construction projects were completed in Africa (Tanzania, two schools) and Asia (India, Cambodia, India). (India, Cambodia, Myanmar, Sri Lanka). In this way, disadvantaged children and young people have access to education and thus greater opportunities for a self-determined life. In addition, the DER Touristik Foundation is involved in other projects:

•

The Smiling Gecko e.V. organization is pursuing an educational project in Cambodia. Cambodia aims to train young people in the countryside in agriculture, tourism, gastronomy, handicrafts catering, handicrafts and production, as well as in schools, to give young people in rural areas a perspective for the future. The DER Touristik Foundation has been supporting the project since 2019 by sponsoring the training of ten young Cambodians in the tourism sector. Despite pandemic-related challenges, the training could be continued in 2020.

•

To establish a sanctuary for seals, turtles and dolphins, the DER Touristik Foundation has been supporting the construction of a veterinary clinic and a visitor center for the local local population and tourists.

•

Various development projects benefit the population in the Simanjiro district south of the Kilimanjaro in Tanzania. The DER Touristik Foundation has been supporting these projects since 2016 - these include the construction and equipping of various schools and the Construction of a Maasai women's seminar center. 2020 saw the start of construction of a center for carpenters and locksmiths, which DER Touristik Foundation also supports. Foundation is also supporting. The project is additionally supported by funds from the Federal Ministry for Economic Cooperation and Development, Upendo e.V. and local organizations.

•

In Tanzania, too, the DER Touristik Foundation has been sponsoring the environmental education program since 2017. "Living in Harmony with Nature" at various secondary schools in the Simanjiro district. Thus awareness of the importance of wildlife and the preservation of natural resources is to be conservation of natural resources and thus reduce the consequences of the animal-human conflict. be reduced.

GRI  
203-2:

Significant  
indirect  
economic  
impacts

REWE Group employs a total of around 384,000 people in its stores and travel agencies nationally and internationally. employs a total of around 384,000 people. Through the opening of new stores, the from investments in infrastructure, taxes and duties as well as from the many social activities of the employees, store managers and independent retailers. merchants. In this way, REWE Group provides important impulses for the development and promotion of

the regions in which the stores are located. In addition, the company is actively involved actively committed to children and young people and focuses on issues related to its business activities. business activities.

## Healthy nutrition and exercise

Since 2000, REWE Group has been supporting the "5 a day" association as a founding and board member. of the "5 a Day" association in its efforts to promote healthy eating by increasing the consumption of fruit and vegetables to five portions a day. fruit and vegetables to five portions a day. In addition, REWE Group promotes also promotes the teaching of consumer skills as part of its membership in the Stiftung consumer competence.

With  
educational work  
healthy  
nutrition  
promote  
and  
communicate

In cooperation with Tafel Deutschland e.V. and other partners, REWE provides participating schools with with changing foods selected by nutrition experts for the preparation of a breakfast

selected by nutrition experts for the preparation of a breakfast in the class community. This is intended to give children a healthy start to the day. At the end of 2020, 15 schools and thus more than 1,700 children received the Power Box every day from Monday to Friday. In the entire 2019/20 school year, nearly 250,000 breakfasts were thus made available. Due to the pandemic-related school closures, the project had to be temporarily suspended. In order to to receive food as needed and possible, schools were given access to the REWE delivery service during this time. access to the REWE delivery service was made available to the schools during this time. Since the start of the project in 2009 nearly 15,000 children over 1.8 million breakfasts. The project is supported by donations from Chiquita, Danone, Ehrmann, FrieslandCampina, Mondelez, Nestlé, Unilever, Zentis, Henkel and Eurogroup, which is part of REWE Group.

In some regions of Germany, REWE also sponsors nutrition workshops, which are conducted by the by the provider expika. The aim of the workshops is to motivate children in children in daycare centers and to support them in learning about healthy nutrition through play. about healthy nutrition. To this end, digital media are used in daily educational work. educational work. Since 2009, over 240,000 children have taken part. Due to Corona, only 380 workshops year under review, only 380 workshops (2019: 925) were held for around 6,000 children.

Torhunger  
-  
Proper  
Nourish.  
Better  
kicking:

Healthy  
Nutrition  
at  
soccer  
establish

Since 2008, the REWE sales division has been supporting healthy nutrition in sports as the official nutrition partner of the German Football Association (DFB).  
of the German Football Association (DFB) has been supporting healthy nutrition in sports. The Focus since 2019 are children and young people: As part of the campaign.  
"REWE supports them with many practical tips on healthy nutrition.  
nutrition. At soccer camps, the sales division also ensures that the children are  
children the important basics of proper nutrition at soccer camps.  
nutrition are taught to the children. By the end of 2020, almost 800 such  
camps had been held by the end of 2020; in 2021 - depending on the pandemic situation - over  
more than 2,000 additional camps will be supported in 2021, depending on the pandemic situation.

Opportunities for children and young people

REWE Group has long been committed to projects that promote the development of children and young people.  
and young people. An important approach in this context is the support of volunteers  
and local organizations who pass on knowledge and experience through direct contact.

As  
business partner  
experience  
share:  
Learning  
makes  
School

Through the "Lernen macht Schule" education and integration initiative  
children of socially disadvantaged families and students of the  
Vienna University of Economics and Business learn with and from each other. About 130 learning buddies  
of the  
university take care of about 260 children and young people in  
Caritas facilities - in the year under review, due to the pandemic, also increasingly on  
digital channels. By strengthening their personalities and through an  
intensive exchange, both sides benefit. REWE Group in Austria  
acts as a business partner and presents itself as an attractive employer.  
employer.

As a further mentoring project, REWE Group implements the mentoring program EHRENSACHE  
in cooperation with the non-profit organization Joblinge, which provides internships and  
entry-level qualifications to socially disadvantaged young people.

Since 2018, PENNY has been supporting the national competition "Best Junior Company" as a sponsor.  
of IW JUNIOR, a subsidiary of the Institute of the German Economy. In the competition,  
which takes place at the state, national and later even EU level:  
They develop a business idea and test it for the duration of a school year.

Förderpenny  
supports  
local  
children and  
youth development

With the Förderpenny (formerly Förderkorb), the sales line PENNY has been supporting local non-profit organizations involved in the promotion of children and youth promotion. In 2020, PENNY awarded grants 260,000 euros to a total of 120 winners in 40 neighborhood regions. From over 650 applicants, regional juries initially selected selected three winners from each neighborhood region, who received prize money of 2,000 euros each. In the next step, customers and supporters of the and supporters of the organizations had the opportunity to vote for one of the three winners from their neighborhood. All the first-place received customer donations from the stores in their neighborhood for one year. Customers supported the first-place organization by saying "Vote for it! during the checkout process, the first-place charity from the neighborhood was supported The amount of the purchase was rounded up to the nearest 10 cents. Since Since the start of the initiative, funds amounting to 1.6 million euros have been distributed. 662,000 of which came from customer donations. In the year under review, three national award winners were selected from all first winners were selected from all the first-place winners, who received prize money totaling 20,000 20,000 euros. At the awards ceremony, which was held digitally for the first time the Outpatient Children's and Youth Hospice Service Löwenzahn, the Hanno e.V. Hanno e.V. Pirna and Frauen für Frauen e.V. from Bad Breisig came out on top.

As part of "Aufrunden", REWE Group in Austria is also involved with the BILLA, MERKUR, BIPA and PENNY. Thanks to the long-standing support of customers, a total of more than 1.1 million euros could be donated by the end of 2020. have been donated. Caritas projects are supported, including learning cafés, special educational programs and mother-child homes. or mother-child houses.

REWE  
awards  
donations  
and  
non-cash prizes  
to  
clubs

For the second time in a row, the REWE sales division supported local sports clubs in the year under review. with the "Clubs for Clubs" campaign. In times of the Covid 19 pandemic, this campaign was particularly particularly significant, as events, competitions and training sessions were cancelled, leaving many sports clubs without a large portion of their revenue. When shopping REWE customers received so-called club vouchers, which could be assigned to a sports club via an app.

sports club via an app. Depending on the number of these vouchers collected, the clubs received received non-cash rewards. In 2020, more than 20,000 amateur sports clubs throughout Germany redeemed more than 60 million club vouchers for more than 93,000 rewards to help them with their work and training. training. All premiums together have a value of over 18 million euros. With this

REWE, together with its customers, contributed to the important work of sports clubs in Germany. sports clubs in Germany, for example to repair a goal or replace equipment. replace equipment.

Since  
over  
10  
years  
has  
nahkauf  
"A  
heart  
for  
children"

Since 2009, the REWE sales format nahkauf has been committed to the association BILD hilft e.V. "A Heart for Children", which supports children and families in emergency situations. Since the beginning of the partnership, more than 3.2 million euros have already been collected. Also in the reporting year nahkauf once again made a major donation. This consisted of merchant and customer donations and customer donations - generated by market campaigns - as well as industrial donations. And also the sales of the nahkauf paper bag also contributed to the donation sum: The winning picture of a competition was printed on the paper bags - nahkauf donates five cents for each bag sold. donates five cents.

Against the background of the Corona pandemic, nahkauf organized together with the sales division REWE organized two additional fundraising campaigns in 2020 for socially and financially disadvantaged families. More than 1.5 million euros were collected in the process. Within the framework of the campaign "Without EM. But with all my heart." campaign, REWE donated the proceeds from the sales of the official DFB album about the planned European Championship. And during the And during the "Heart Week", nahkauf called for colorfully painted stones to be placed in front of the participating stores. stores. They are considered a symbol of hope in the time of the pandemic. At the end of the campaign, all campaign were given away to interested parties in return for a small donation.

For  
accessibility  
and  
inclusive  
playgrounds:  
Cooperation  
with  
Aktion  
Mensch

Since 2020, one cent of every "babytime" private-label item sold at PENNY and REWE sold at PENNY and REWE has gone to a selected, changing Aktion Mensch project partner. In this way more than 100,000 euros have already been raised. In the year under review, these funds were used to finance the barrier-free conversion of a daycare center. 170 children with and without disabilities can play together in the daycare center. can play together. In order to promote motor and social development at an early age, REWE also supports the construction of inclusive playgrounds together with Aktion Mensch and Procter & Gamble. inclusive playgrounds. Since April 2018, every purchase of a Procter & Gamble product has resulted in a donation of one cent to the "Piece of Happiness" campaign for inclusive playgrounds. With the money

27 inclusive playgrounds have already been built or expanded across Germany by the end of 2020. expanded. The project will be continued and expanded until at least 2024. inclusive sports fields and equipment will also be financed in the future.

In many REWE stores, customers can also support local Aktion Mensch projects with their deposit donations. of Aktion Mensch with their deposit donations. In 2020, over 1.3 million euros were generated and donated in this way from 1,182 stores. stores were generated and donated.

Cooperation  
with  
the  
Lebenshilfe

Inclusion is also an important topic at toom Baumarkt. Since 2014, toom Baumarkt has been cooperating with the German Lebenshilfe association. The aim is to break down barriers in a lively barriers and to familiarize customers with the topics of inclusion and diversity. For To this end, 40 toom DIY stores throughout Germany maintain partnerships with Lebenshilfe Lebenshilfe institutions in their town or region. The commitment consists of The project focuses on the following areas:

- 

Local campaigns at the toom DIY stores - such as joint sales of

Christmas trees

- 

Publication of the brochure "Do-it-yourself made easy" on three popular

DIY topics as well as a video in easy-to-understand language

- 

Outdoor workplaces for people with disabilities at the toom DIY store.

A particular focus is on the inclusion of employees. For example, toom Baumarkt has already set up outsourced workplaces for Lebenshilfe workshops in 17 stores.

Conscious handling of food

REWE Group strives to reduce food waste to a minimum. To this end in the upstream production stages and in its own stores. Modern forecasting systems and automated ordering procedures, supported by the commercial



experience of our employees, already ensure a very good supply of fresh produce to the supply of fresh produce to the stores. Short transport routes between storage locations and the stores, uninterrupted refrigeration from production to the shelves, but also regular training regular employee training courses help to keep loss rates to a minimum.

to a minimum.  
PENNY and REWE now sell an annual average of more than 98 percent of their food products. Food that is no longer sold but can still be consumed without hesitation has been REWE has been donating it free of charge to the more than 950 local Tafel initiatives nationwide since 1996 and PENNY since 2007.

950 local Tafel initiatives nationwide. In addition, both sales divisions work with the with the foodsharing association. Lekkerland is also committed to combating food waste, by giving food to the food banks. In addition, Lekkerland is committed to Lekkerland is also committed to saving food as part of a partnership with "Too good to go". With the

app connects customers with restaurants and stores that sell unsold, surplus food. have unsold, surplus food to give away.

Since a large part of the food loss is caused by the consumers, REWE Group focuses on informing and educating its customers.  
focuses on informing and educating its customers. The PENNY sales division has been committed to this has been involved in this topic for years, providing tips on how to best store and creative ways to use leftovers. Since 2019, selected own-brand products such as yogurt, cream and butter as part of the "Save Precious Save" campaign, selected private label products such as yogurt. Taste. Enjoy." in direct proximity to the expiration date. In 2020, the labeling was extended to the organic own brand "Naturgut" in 2020.

Food waste  
together  
reduce

Since the end of 2019, REWE Group with the REWE and PENNY sales lines has been a has been a member of the "National Dialogue Forum on Food Waste" of the Federal Ministry of Food and Agriculture and supports the national strategy to reduce food waste. With this the company is signaling its ambition to contribute to the global goal of reducing to reduce food waste by 50 percent by 2030, contribute. As part of the dialog forum, measures are being developed to reduction of food waste are being developed. In 2020, as part of a all food losses in 2019 were recorded for the first time and published in a and published in a report by the Thünen Institute. In the next In the next step, the project partners agree on joint reduction targets. Publication of the target agreement is planned for 2022.

REWE Group is also involved as a project partner of "Tafel macht Zukunft - digital together". The project has set itself the goal of simplifying food rescue by the food banks with digital solutions in order to save even more food from the trash in the future and to distribute it to from the trash and pass it on to those in need.

Biodiversity and environmental protection

As part of the non-profit association "DER Touristik Foundation e.V.", DER Touristik supports

supports the "Chilis against Elephants" project. With the help of an awareness campaign, the aim is to raise the

awareness of the population in Tanzania with regard to the promotion of ecological habitat and biodiversity. For the conflict with elephants due to the population and the migration of the population to the borders of protected areas there is a simple solution: elephants have a highly developed sense of smell and avoid chili plants. By fencing off agricultural areas with chili fences, around 75 percent of the original damage can be avoided. The local population receives training on how to grow and maintain these fences. The project is carried out in cooperation with Upendo e.V. and PAMS Foundation.

Further projects on REWE Group's commitment in the field of action Biodiversity and environmental protection are described in the section Biodiversity.

## REWE Group Sustainability Report 2020

### Child protection

Every year, millions of children are affected by exploitation and sexual violence. In many cases the tourism infrastructure is misused by traveling sex offenders for this purpose. For this reason, the travel industry has a special responsibility to protect children.

In order to integrate sustainability as an integral part of its corporate processes, the REWE Group has developed a comprehensive sustainability strategy with the four central pillars of green products, energy, climate and the environment. products, energy, climate and environment, employees and social commitment. have been developed. Within the framework of the Social In addition, four fields of action have been fields of action were defined in order to develop targeted measures: Conscious nutrition and physical activity, opportunities for children and young people, food awareness, and biodiversity and and biodiversity and environmental protection. With the activities in the field of action Opportunities for Children and young people, REWE Group is pursuing, among other things, the goal of protecting children. guaranteed.

GRI  
413:  
Local  
Communities

### Management approach

DER Touristik has a very ambitious child protection policy. In 2012, it defined principles that protect the children of the vacation destination as well as the children of guests and serve to safeguarding of their rights within the tourism industry. The child protection policy is clearly communicated at all destinations and is a central focus of topics within a training concept for hotel staff and tour guides in the destinations and for staff as well as for employees at the central locations, in the destination agencies and important

partners. They are made aware of the issue and learn how to deal with suspected cases. cases.

On March 11, 2016, Sören Hartmann, Chief Executive Officer (CEO) of the DER Touristik Group, signed the code of conduct for the protection of children against sexual exploitation "The Code" at the ITB tourism trade show in Berlin. This is based on the UN Declaration of Human Rights and the UN Convention on the Rights of the Child. For its ECPAT Deutschland e.V. - the Working Group for the Protection of Children against sexual exploitation - is responsible for its implementation and is a competent partner for DER Touristik. partner. By signing the code, DER Touristik commits itself to the code and undertakes to comply with the following aspects, which have already been implemented:

- 

Introduction of a policy and measures against the sexual exploitation of children.

- 

Conduct employee training on the rights of children, the prevention of sexual exploitation, and reporting suspected cases.

- 

Include a clause in hotel contracts stating that sexual exploitation of children will be is consistently rejected and will not be tolerated under any circumstances

- 

Provide information to travelers on the rights of children, the prevention of sexual exploitation and the reporting of suspected cases.

- 

Support and collaborate with stakeholders in the fight against child sexual exploitation of children

- 

Annual report on the implementation of "The Code".

In addition, DER Touristik is committed to the fight against child sexual exploitation as part of its information and prevention concept. For example, travelers are actively informed about the protection of children from sexual exploitation on vacation, and tourism students and trainees are sensitized to this issue. tourism students and trainees on this topic. These training courses could not be held in the reporting year due to corona.  
due to corona.

DER Touristik also participates in the organization of regular destination workshops, which are organized by destination workshops organized by the German Travel Association and ECPAT. At the workshops, the participants are informed about the sexual exploitation of children in tourism, sensitized tourism, sensitized accordingly and trained in how to deal with suspicions and and trained in how to deal with suspected cases and how to prevent them. Two workshops were recently held in Indonesia at the end of 2018. workshops were held in Indonesia at the end of 2018. The workshop planned for 2020 had to be cancelled due to the Corona pandemic had to be cancelled.

GRI  
413-2:

Business activities  
with  
significant  
actual  
or  
potential  
negative  
effects  
on  
local  
communities

In the area of tourism, REWE Group is committed to working together with the non-governmental organization ECPAT Deutschland e.V. to combat sexual exploitation of minors of minors and violence against children.

In the year under review, DER Touristik implemented a digital blogging event to promote the international platform "Nicht Don't Look Away," an international platform where suspected cases and crimes can be advertise. DER Touristik also participated in the child protection working group of the German Travel Association (DRV) and, together with various associations and in cooperation with ECPAT with ECPAT Deutschland e.V. and "The Code" to provide information and raise awareness. awareness-raising activities.

Due to the Corona pandemic, DER Touristik was unable to implement further planned activities in 2020 could not be implemented. Normally, a number of measures are carried out each year - These include destination workshops or training courses on the topics of human rights, sustainability and child protection for DER Touristik employees and trainees.

The REWE Group also pursues the goal of systematically combating child labor (for more information, see the section on child and forced labor).