



Code of Conduct

Version 1.0 - June 2017



Introduction

At ACTION, we believe that it's not just about what's on the shelves. Our behaviour, both as individuals and as a company, is a key part of what people buy when they shop at ACTION.

It is important to realize that, as a large retailer operating across Europe, employing ten thousands of individuals, selling many products, and having many business partners, ACTION also plays an important role in society. Therefore, we must always aspire to do the right thing and act as a respectable company.

Within ACTION we have defined the following values that guide us in how we work and conduct our business each and every day:

- **Customer focused**
Everything we do is designed to increase the value our customers find at Action.
- **Cost consciousness**
We work hard every day to lower costs to the minimum, so that we can reliably deliver the lowest prices.
- **Teamwork**
Maximum efficiency only works when executed by people who know how to work together with the same efficiency, as a team.
- **Discipline**
It takes discipline to stay focused on what we're good at and what matters to the customer each and every day.
- **Simplicity**
We find that the simple way is usually the best.
- **Respect**
We are polite, honest and trustworthy with customers and colleagues alike.

In a complex business environment, it is not always obvious what the right thing to do is. Our Code has been designed to provide all individuals working for ACTION with further guidance in making our day-to-day business decisions.

The success of the Code relies on management to lead by example but also on the commitment of all employees to familiarise themselves with the content of the Code, to be open and honest, to discuss possible dilemmas with colleagues and managers and to speak up in case you notice any violation of our Code.

Our Code is based on the following four elements:

- **How we do business**
- **How we communicate**
- **How we comply with Laws and Regulations**
- **How we speak up**

As both ACTION and the environment we operate in are constantly in motion, our Code will not be a static document, but will be subject to future changes. This is why it is important for you to check on a regular basis whether there are any updates available of our Code and underlying policies.

In case of any discrepancies between the (local) law and our Code and/or the underlying policies, the (local) law prevails at all times.

1 How we do business

1.1 Relationships with our customers

1.1.1 Our customers are key and ACTION expects that you serve our customers as you would like to be served when being a customer yourself. This means that you should treat them with respect by being friendly and approachable and by making him/her feel welcome.

1.1.2 But customers expect more than that. They expect our products to be safe and of good quality too. It is therefore of utmost importance that we live up to product safety and quality control standards and that we inform our customers about our products in a transparent and truthful way. This also means that products shall be promoted based upon objective standards which do not mislead customers.

1.1.3 It is our ambition to always do what's right. As human beings, we may however also make mistakes. When this happens and a customer complains or otherwise provides feedback, we always take this seriously and respond quickly and appropriately.

1.2 Relationships with our colleagues

1.2.1 Our ACTION team consists of many people with different backgrounds, different talents and different responsibilities, who all have the same goal: growing the success of ACTION. To get the best out of our people we need to respect human and labour rights. In order to accomplish that, ACTION is committed to and expects you to:

- contribute to the strict observance of applicable labour laws, regulations and ACTION policies;
- strictly observe health and safety laws, regulations and ACTION policies. If you feel that your work environment is unsafe in any way, please report this to your Manager immediately;
- use objective, non-discriminatory criteria when decision making involves the recruitment, hiring, promotion or dismissal of employees;
- treat colleagues with fairness and respect and make sure that no one feels intimidated, harassed, (verbally) abused, insulted, humiliated, isolated or discriminated. Misbehaviour of this kind will not be tolerated by ACTION;
- cooperate with colleagues, support and motivate colleagues and offer help to them without being asked to do so;
- proactively share information and knowledge with colleagues, and encourage open communication;
- never work while being impaired by alcohol, illegal drugs or any other substance which may have a negative effect on the due performance of your professional obligations.

1.3 Relationships with our suppliers

1.3.1 We expect you to maintain a lawful, ethical and respectful relationship with ACTION suppliers at all times.

1.3.2 ACTION is committed to ensure good ethical practice throughout our supply chain and has set out minimum requirements in the ACTION Ethical Sourcing policy that all our suppliers have to comply with when doing business with ACTION.

1.3.3 You will need to follow the ACTION procurement policies in the selection of and the negotiation with suppliers and business partners.

1.4 Avoid conflict of interests

1.4.1 As a general principle ACTION discourages employees from offering or accepting gifts or any forms of hospitality from suppliers and business partners. In any case such gifts or any form of hospitality may only be offered or accepted by you if this is in line with our ACTION gifts and hospitality policy and even then, you should at all times avoid the appearance of bias in your business decisions.

1.4.2 Our work decisions must always be based on what is best for ACTION, and not on what is best for us personally or for any of our friends or relatives. Any conflicts of interest between your private activities and your business activities for ACTION should be avoided and you must notify our Compliance manager of a (potential) conflict at all times.

1.4.3 Your employment with ACTION is regarded as a full-time occupation during your working hours. Outside these working hours, you may engage in other (employment) activities, provided that this does not conflict with the interests of ACTION. This in any case means that you may not be employed by, or serve on any Board of Directors/Supervisory Board of a competitor or business partner.

1.5 Protect company property

1.5.1 In the performance of your job you will make use of ACTION physical assets, such as equipment, tools, technology, documents, funds, accounts. ACTION expects that you use these assets with respect and for the purpose intended. This also means that you need to protect the property against waste, lost, theft, misuse and damage.

1.5.2 We must all use ACTION computers, data and telecommunications in a way that is ethical, legal and secure according to ACTION'S policies.

1.5.3 Personal use of computers, phones and other equipment in line with the applicable ACTION policies is allowed as long as this does not infringe on your tasks and responsibilities and does not endanger the security of ACTION information.

1.5.4 We further need to protect the intellectual property rights that result from our work, ideas, improvements and developments, as this would otherwise reduce our competitive advantage and devalue our creative work. This means that ACTION shall take any necessary steps to obtain, maintain and protect the intellectual property rights of ACTION. Intellectual property rights, include copyrights, patents, trademarks, design rights, logos and brands.

1.5.5 As a rapidly expanding retailer ACTION effects the environment in many ways. ACTION is fully aware of that and works hard to prevent pollution, minimise waste, and reduce the use of natural resources in order to minimize its long-term effect on the environment. ACTION expects you to do the same.

2. How we communicate

2.1 Confidentiality of information

2.1.1 Confidential information related to our business that may come to your knowledge may not be shared externally. Also, be careful in discussing such information with colleagues who do not have a clear purpose to know. Confidential information includes all information that is not publicly known and that may be of use to our competitors or could otherwise be harmful to ACTION if disclosed.

2.1.2 Also, confidential information about suppliers or other parties ACTION does business with should never be shared outside ACTION without their permission, as this information has been provided to you under the assumption that the information is safe with you.

2.1.3 Information relating to the ACTION business, its business partners and the workforce needs to be documented, protected, stored and destroyed in line with local laws and regulations.

2.2 Accuracy of information

2.2.1 To protect the reputation of ACTION, we always strive to provide true and accurate information to third parties (such as media, financial analyst, creditors, sellers) on the ACTION business. Information must only be provided to third parties by people who are explicitly authorised to represent ACTION.

2.2.2 Accurate financial statements in books and records of ACTION provide stakeholders the information they need to make good investment decisions. Therefore, such statements must be timely, accurate and fair and they must comply with local laws and regulations, applicable accounting principles and internal controls.

2.3 Communication with third parties

2.3.1 ACTION embraces the various opportunities social media provides. You should never forget however that electronic messages can have a negative impact on the reputation of ACTION, even if this was unintended. Do not give the impression on social media that you speak on behalf of ACTION and always adhere to communication policies.

3 How we comply with laws and regulations

3.1 Laws and regulations

3.1.1 Regulatory compliance is a pre-requisite of our Code. At all times we have to comply with the rules set out in applicable laws and regulations in each and every country where ACTION operates.

3.2 Competition and anti-trust

3.2.1 ACTION does not allow any misleading, dishonest or malicious conduct whatsoever and expects that, in your interactions with competitors, you will always act in

compliance with local laws and regulations, including competition and anti-trust laws. This means that you must:

- be cautious not to discuss confidential information, such as ACTION's commercial position, suppliers, tenders, costs, sale conditions, pricing, promotions, strategy, product portfolio, future store locations, market share, lease terms and / or any other strategic or commercial terms in violation of applicable laws with competitors;
- not enter into agreements, express or implied, about any of these items above or any other agreement in violation of applicable laws with competitors. For the avoidance of doubt, this covers both oral and written agreements as well as "gentlemen's agreements" and even informal conversations.

3.3 Privacy

3.3.1 We all have the right to privacy. Therefore, we have the responsibility to respect the personal data of our colleagues, customers and suppliers. ACTION processes personal data in conformity with applicable local data protection laws and has put in place safeguards to protect such data as much as possible.

3.3.2 ACTION expects you to only access and process personal data if this is strictly necessary to fulfil your job responsibilities, and only to the extent this is in line with local privacy law, regulations and the applicable policies within ACTION.

3.4 Bribery and corruption

3.4.1 We believe in doing business fairly, and free of corruption. In your daily work for ACTION it is therefore not allowed to offer, pay, ask or accept bribes, kickbacks, facilitation or similar payments, neither directly nor through a third party. Anyone who does so directly damages the trust and credibility we carefully built and violates the law. If you witness this type of behaviour, we ask you to report it immediately to your Manager and try to stop it if possible.

3.4.2 As a rule, any cash payments other than in the context of our regular sales in stores, and payments in currencies other than the agreed one, shall be avoided. Likewise, special care needs to be taken with any unscheduled payment, payment to a bank account other than the usual account, payments made by or to an account in a country that is deemed to be a tax haven and those payments made by or to organisations whose shareholder, owner or ultimate beneficiary cannot be identified.

3.5 Fraud and theft

3.5.1 It is not allowed to be involved in an offence of theft or in fraudulent matters, such as money laundering, falsification of documents, trading of illegal goods and tax evasion, as this will seriously harm the reputation of ACTION and / or its stakeholders.

3.6 Insider trading

3.6.1 Trading shares based on information not publicly known distorts the market and damages trust of all our stakeholders. It is also a crime. We expect you to ensure that in dealing with securities you will never make use of information that you became aware of in the context of your work for ACTION that is not publicly available.

3.7 Dealing with public bodies

3.7.1 Anyone communicating with public authorities on behalf of ACTION shall have prior express authorisation of ACTION for such relationship. Before responding to any non-routine request for information from a government or other public authority, your line manager, Legal or Communications will need to give prior approval.

3.7.2 In dealings with governments and other public authorities, you should always make sure that you deal honestly. That means that all information you provide is true and accurate and that you refrain from making any facilitating payments or other bribes.

3.7.3 In case you suspect or become aware that ACTION is the subject of an investigation or that measures will be imposed on ACTION by a public body outside the normal course of business you are expected to raise the issue immediately. You are also expected to cooperate with such investigations at all times.

3.7.4 When you are dealing with customs, please note that you should always comply with international and/or local trade laws and constraints and requirements on import and export, custom formalities and permits.

4 How we speak up

4.1 Adherence to our Code

4.1.1 Violating our Values, our Code and / or any laws or regulations means a violation of trust we have worked hard to foster with anyone we do business with. Furthermore, any such violation may result in serious consequences in the form of company and/

or personal fines and in some countries even imprisonment of the responsible individual. Therefore, a failure to comply is regarded as a serious misconduct and may lead to disciplinary sanctions by ACTION, such as termination of the employment agreement.

4.1.2 If you notice a colleague about to do or doing something not in line with the principles of this Code, you should address the matter as soon as possible to the relevant Manager and try to prevent it. Avoiding irregularities and wrong doings is always better than taking care of the consequences afterwards. Seek the assistance of your Manager in all cases where you are uncertain how to act.

4.2 Questions about our Code

4.2.1 After reading our Code you may have questions, or you may want to report any wrongdoing. You can raise your questions in the following ways:

1. Questions about the interpretation of our Code and / or advice about the application of our Code: contact your Manager.
2. Urgent or sensitive cases that you cannot discuss with your Manager: contact the Compliance manager. The Compliance manager will treat your questions confidential.
3. Report a wrongdoing: refer to the Alert Line Policy.

4.3 Alert Line Policy

4.3.1 ACTION stimulates openness and honesty at the work floor and believes it is essential that there is always room to discuss any concerns you may have internally. More than that, ACTION wants you to speak up if you believe that our Values or our Code or any law or regulations may have been violated. Doing so helps ACTION to address issues before they can negatively affect your colleagues, our business and other stakeholders.

4.3.2 Our Alert Line Policy describes the channels through which you can report your concerns. This may be internally or, if you feel that you cannot express your concerns internally, externally via the Alert Line available by phone and online via [LINK]. Your concerns will be taken seriously and investigated swiftly. It is also possible to report concerns on an anonymous basis. If a violation of the relevant laws, our Values or our Code is proven, appropriate corrective or disciplinary action will be taken. You can rest assured that retaliation of any kind against anyone who in good faith made a report on suspected irregularities or wrongdoings will not be tolerated by ACTION.

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