



WESTWING

# Anti-Corruption Policy

DECEMBER 2021

“

How we do things is just as  
important as what we do.

Of course, our vision is to become the European leader in home  
& living eCommerce for Home Enthusiasts, by creating the most  
inspiring customer experience and the most loved brand...

... but not at any price.”

”

# Contents

1. Purpose of the Anti-Corruption Policy	3	6. Gifts, Hospitality, and Entertainment	
2. Definitions	3	6.1. Definitions	7
3. Who has to comply with this Policy?	4	6.2. Principles and Rules	7
4. What does 'Anti-Corruption' mean?	5	6.2.1. Gifts	7
5. Basic Rules: Zero tolerance for bribery		6.2.2. Invitations to entertainment/hospitality	8
5.1. Principles and rules	6	7. Business partners	
		7.1. Definition	9
		7.2. Principles and rules	9
		8. Sponsoring and Donations	
		8.1. Definitions	10
		8.2. Principles and rules	10
		8.3. Approval and documentation	11

# Contents

## 9. Rules Relating to Public Officials

- 9.1. Definitions 12
- 9.2. Principles and rules 12
- 9.3. Approval and documentation 12

## 10. Political Contributions

- 10.1. Definition 13
- 10.2. Principles and rules 13

## 11. Lobbying

- 11.1. Definition 13
- 11.2. Principles and rules 13

## 12. Facilitation Payments

- 12.1. Definition 14
- 12.2. Principles and rules 14

## 13. Books and records: Internal Controls

- 13.1. Definition 15
- 13.2. Principles and rules 15

## 14. Self-Assessment

- 14.1. Practical Tips 16
- 14.2. Where to get support 16

## 15. Whistleblower mechanism 17

## Annex: Gifts, hospitality, entertainment 18

## 01

## Purpose of the Anti-Corruption Policy

This Anti-Corruption Policy substantiates Westwing's zero tolerance policy for bribery and outlines acceptable and non-acceptable behaviors to ensure compliance with anti-corruption laws.

This includes compliance with all laws, domestic and foreign, prohibiting improper payments, gifts, or inducements of any kind to and received from any person, including officials in the private or public sector and business partners.

For any questions in relation to compliance issues or this Policy, you may contact [compliance@westwing.de](mailto:compliance@westwing.de).

## 02

## Definitions

### “Head of department”

means the respective Head of a department/division (e.g., Head of HR, Head of SEO), or, in absence of a Head of department/division, the respective Chief of the department/division (e.g., CEO, CFO, **CTO**).

### “Compliance”

means the Compliance department of Westwing Group AG as a part of the Legal & Finance department of Westwing Group AG ([compliance@westwing.de](mailto:compliance@westwing.de)).

## “Internal Control”

means the internal control department of Westwing Group AG as a part of the Finance department of Westwing Group AG.

## “Management”

means the internal control department of Westwing Group AG as a part of the Finance department of Westwing Group AG.

## “Policy”

means this Anti-Corruption Policy.

# 03

## Who has to comply with this Policy?

This Policy applies to all Westwing Group companies hereinafter referred to as “Westwing” and all their employees including management and board members.

This Anti-Corruption Policy sets up minimum requirements. If provisions in other laws, regulations, or rules, be it local, national, or international, have a more stringent position to the matters mentioned in this Anti-Corruption Policy, those shall be observed and complied with. In cases of conflict between this Anti-Corruption Policy and a mandatory local regulation, the local regulation shall prevail.

## 04

## What does 'Anti-Corruption' mean?

Corruption can take place in many types of activities. It usually is designed to obtain financial benefits or other personal gain. For example, bribes are intended to influence behavior. Bribery means giving, offering, or receiving an improper benefit with the intention of influencing the behavior of someone to obtain or retain a commercial advantage.

Bribery can take a variety of forms – offering or giving money or anything else of value. In fact, even common business practices or social activities can constitute bribes in some circumstances, such as:

- Gifts (see section 6 for specific rules and information);
- Hospitality, such as meals (see section 6);
- Entertainment (see section 6);
- Travel, or reimbursement of travel-related expenses (see section 6);

- Attendance at a conference hosted or paid for by Westwing (see section 6);
- Contracts with business partners (see section 7)
- Sponsoring, charitable or political contributions (see section 8 and 10);
- Benefits in favor of public officials (see section 9);
- Facilitation payments (see section 12);
- Personal advice or assistance;
- Favoring relatives or business partners in employment with Westwing.

In the following sections you can find the basic (see section 5) and specific rules (see section 6 et seq.) on proper behavior.

Before consulting your Head of your department or [compliance@westwing.de](mailto:compliance@westwing.de), always try to help yourself first by carrying out a Self-Assessment according to section 14.

## 05

## Basic Rules: Zero tolerance for bribery

### Principles and rules

- a) Westwing has zero tolerance of bribery.
- b) Employees must not bribe, and they must not use intermediaries, such as agents, consultants, advisers, distributors, or any other business partner to commit acts of corruption.
- c) The anti-corruption rules of Westwing apply to interactions with public officials, business partners and with private persons. We also expect our business partners to comply with our anti-corruption principles. We will terminate business relationships with any agent or third-party representative that violates any of these principles.
- d) Always ask yourself before offering or giving money or anything else of value to any person if what you are

considering doing could be viewed as having an illegitimate purpose. If the answer is yes, you must not proceed, even if the benefit is of low value.

- e) We will take disciplinary actions against employees who are found to be giving or taking bribes or who offer, promise, or give any improper or corrupt financial or other advantage. This may lead to dismissal or termination of employment and, if appropriate, criminal proceedings.



## 06

## Gifts, Hospitality, and Entertainment

### Definitions

“**Gifts**” are benefits of any kind given to someone as a sign of appreciation or friendship without expectation of receiving anything in return. They include ‘courtesy gifts’, which are small gifts given at culturally recognized occasions (e.g., weddings, funerals) or special times of the year (e.g., Christmas, New Year).

“**Hospitality**” generally includes refreshments, meals, and accommodation.

“**Entertainment**” generally includes attendance at plays, concerts, and sports events.

## Principles and Rules

- a) Special attention is to be paid to local laws and regulations, All gifts need to be reported to [compliance@westwing.de](mailto:compliance@westwing.de) (exceptions are gifts below EUR 10 such as calendars, pens etc.). Below at aa) you find more details.
- b) All invitations/entertainment activities need to be reported to [compliance@westwing.de](mailto:compliance@westwing.de). This relates to lunches, dinners, hotels, drinks, travel, etc. (exceptions are invitations below EUR 10 such as lunch at Cobie or McDonald’s). Below at bb) you find more details.
- c) In the reports of gifts and invitations, the following elements need to be reported: name of the donor, date, description of gift/invitation, reason, expected monetary value (e.g., taken from a relevant Internet shop), place and participating parties. For your report, if you do not know already, please clarify with the donor/the inviting company if they have organized taxation according to sec. 37b EStG, and report that in your report, too.

### Gifts

- a) Gifts below EUR 10: Gifts below EUR 10 can be accepted legally without reporting to [compliance@westwing.de](mailto:compliance@westwing.de).
- b) Gifts between EUR 10 and EUR 35: Gifts between EUR 10 and EUR 35 can be accepted legally, after reporting to [compliance@westwing.de](mailto:compliance@westwing.de). If the gift can be accepted from a compliance point of view, it needs to be reported for taxation to HR Payroll, if taxation is not organized by

the donor. However, if taxation is not organized by the donor and you want to avoid taxation, send the gift back. Otherwise, the gift's value will be added to your payroll.

- c) Gifts between EUR 35 and EUR 100: As a basic rule, gifts between EUR 35 and EUR 100 can only be accepted once [compliance@westwing.de](mailto:compliance@westwing.de) has approved them. If the gift can be accepted from a compliance point of view, it needs to be reported for taxation to HR Payroll if taxation is not organized by the donor. However, if taxation is not organized by the donor and you want to avoid taxation, send the gift back. Otherwise, the gift's value will be added to your payroll.
- d) Gifts exceeding EUR 100: are generally not allowed at all and must be sent back. This will be also confirmed to you once you report the gift to [compliance@westwing.de](mailto:compliance@westwing.de).

*Note:* All rules also apply in a case where you only keep the gift inside the company building because the relevant legal consideration is that you could use it at home, even if you don't.

*Specific example Goodie Bags:* The value of goodie bags to take away from fairs or events needs to be assessed on an estimation basis. Probably many bags exceed the value of EUR 100 and thus are not allowed to be accepted.

*Specific example Spontaneously Accepted Gift:* If pre-approval is not possible (e.g. because you are at an event without email access), and then you have accepted already, then you still

need to inform [compliance@westwing.de](mailto:compliance@westwing.de) once you have email access back. They will then advise you, and if it's not allowed to keep the gift, then you probably need to send the gift back to the donor.

## Invitations to entertainment/hospitality

- a) Invitations must be business-related and appropriate, and must at least serve to maintain the business relation in a socially acceptable way
- b) Invitations below EUR 10: Invitations below EUR 10 can be accepted legally without reporting to [compliance@westwing.de](mailto:compliance@westwing.de).
- c) Invitations between EUR 10 and EUR 50: Invitations between EUR 10 and EUR 50 (i.e., the value of the event, the hospitality, the food, the beverages) can be accepted legally, and need to be reported before the event to [compliance@westwing.de](mailto:compliance@westwing.de).
- d) Invitations between EUR 50 and EUR 100: Invitations between EUR 50 and EUR 100 are subject to approval by [compliance@westwing.de](mailto:compliance@westwing.de) before the event. If the invitation can be accepted from a legal point of view, it needs to be reported for taxation to HR Payroll if the invitation exceeds EUR 60 and if taxation is not organized by the inviting company.

However, if taxation is not organized by the inviting company (if you don't know, ask them) and you want to avoid taxation, do not accept the invitation. Otherwise, the invitation's value will be added to your payroll.

*Note:* If you cannot ask for the approval by [compliance@westwing.de](mailto:compliance@westwing.de) upfront (e.g., because the event happens spontaneously), then ask for approval afterwards.

- e) Invitations exceeding EUR 100: are not allowed at all.
- f) If a company invites you to a business trip e.g. to a fair in a European capital, and the company, e.g. a supplier, wants to pay for flights and standard hotels, this is a Compliance issue and needs to be approved by [compliance@westwing.de](mailto:compliance@westwing.de) upfront.

# 07

## Business Partners

### Definition

A “**Business Partner**” is any person, including a legal entity, with whom Westwing interacts and that is not a Westwing company or employee.

### Principles and rules

In business units/legal entities that bear a significant risk of corruption, in case of doubt [compliance@westwing.de](mailto:compliance@westwing.de) has to be consulted regarding appropriate anti-corruption compliance measures before:

- Entering a partnership;
- Appointing an agent to work on Westwing’s behalf; or
- Entering a new contract/or amending the terms of an existing contract.

With regards to gifts, hospitality and/or entertainment offered to or given from Business Partners, section [6](#) applies.

# 08

## Sponsoring and Donations

### Definitions

**“Sponsoring”** is the promotion of persons, events, or institutions in terms of money, services, or other non-cash benefits with the intention to foster communication and marketing objectives.

**“Donations”** are voluntarily provided monetary or non-monetary benefits. These expenses are not covered by the term “sponsoring” because they are given for a charitable/not-for-profit purpose (without direct business interests).

### Principles and rules

- a) Expenses made as sponsoring or donations may not be used as a vehicle to conceal bribes. To ensure that an expense is legitimate the following four questions should be considered:
  - What is the purpose of the payment?

- Is the payment at the request of a foreign official?
- Is a foreign official associated with the charity and, if so, can the foreign official make decisions regarding your business in that country?
- Is the payment conditioned upon receiving business or other benefits?

b) Mandatory criteria to be fulfilled for sponsoring/donating:

- A written agreement with the recipient restricting the use of funds;
- Recipient has to provide audited financial statements;
- Ensure that funds are transferred to a valid bank account;
- Confirmation that the charity's commitments were met before funds were disbursed;
- On-going monitoring of the efficacy of the program;
- All sponsoring expenses require a written contract;
- Sponsoring engagements may never be contradictory to the values and basic principles of Westwing.

Generally, internal, and external communication of an engagement should be possible. Furthermore, all engagements – irrespective of duration, value, form, or impact – require appropriate documentation which includes records of an adequate application of funds, e.g., progress reports, inspections, documentation of evidence, contribution receipt.

## Approval and documentation

**Donations or sponsoring expenses need the prior approval of [compliance@westwing.de](mailto:compliance@westwing.de) and have to be registered.**

## 09

## Rules Relating to Public Officials

### Definitions

“**Public officials**” are employees and officers of government departments, employees and officers of companies owned or partially owned by a government, officers, and employees of international organizations, such as the United Nations, politicians, candidates of political parties etc.

### Principles and rules

Westwing does not distinguish between public officials and employees of private sector organizations so far as corrupt practices are concerned. However, it is important to recognize that public

officials are often subject to stricter rules and restrictions that do not apply to persons who operate in the private sector.

**Therefore, as a general rule, Westwing employees should not provide gifts or hospitality or any other benefit to, or receive them from, a government or other public official (or their close families and business associates), except for symbolic gifts of insignificant monetary value provided this is allowed by local law.**

Any relationship with public officials must be in strict compliance with the rules and regulations to which they are subject to (i.e., any applicable rules or regulations in the particular country relating to public officials or that have been imposed by their employer) and any benefit conveyed to a public official must be appropriate, fully transparent, properly documented, and accounted for.

### Approval and documentation

**All benefits offered to or received from a public official need the prior approval of [compliance@westwing.de](mailto:compliance@westwing.de) and have to be registered.**

# 10

## Political contributions

### Definition

**“Political contributions”** are monetary or non-monetary (e.g., resources, facilities) contributions to support political parties, politicians, or political initiatives.

### Principles and rules

**All political contributions must be approved by the formal managing director (“Geschäftsführer”) of Westwing.**

# 11

## Lobbying

### Definition

**“Lobbying”** is the act of directly or indirectly influencing public decision making, such as the content of a law or regulation, by interacting with one or more public decision-makers.

### Principles and rules

Westwing refrains from participating in public policy making and lobbying activities. However, should any such activities be taking place these are led by the Executive Team of Westwing Group AG and in accordance with local laws and regulations. Any lobbying related activities, expenditures, positions, and channels will be publicly reported.

**Mandatory criteria to be fulfilled by employees participating in lobbying activities in Westwing’s name or on its behalf:**

- Act in accordance with national regulations and local best practices, and register with the relevant local authorities if required;
- Never cause a public decision maker to favor Westwing's interests via the granting of an undue advantage of any kind;
- Act with professionalism, diligence, and integrity, in particular by providing information that is both reliable and accurate and by avoiding any conflicts of interests.

# 12

## Facilitation Payments

### Definition

**“Facilitation payments”** are payments to public officials to expedite the performance of duties of a non-discretionary nature. These payments are intended to influence only the timing of the public officials' actions (e.g., illegal payments to expedite visa issue or clearing goods through customs), but not their outcome.

### Principles and rules

Facilitation payments of any kind are not allowed.



# 13

## Books and records: Internal Controls

### Definition

“**Books and records**” include accounts, invoices, correspondence, papers, CDs, tapes, memoranda and any other document or transcribed information of any type.

### Principles and rules

Westwing must prepare and maintain books and records that accurately and in reasonable detail document the source of the revenues and the use that has been made of Westwing’s assets.

‘Off-the-books’ accounts and false or deceptive entries in Westwing’s books and records are strictly prohibited. All financial transactions must be documented, regularly reviewed, and properly

accounted for in the books and records of the relevant Westwing entity.

All relevant financial controls and approval procedures must be followed. The retention and archive of Westwing records must be consistent.

## 14

## Self-Assessment

### Practical Tips

- How do you know if an offered gift, entertainment, or hospitality by, or to, Westwing is acceptable? First, take a step back and ask yourself the following:
- What is the intent – is it to build a relationship or is it something else?
- How would it look if these details were on the front of a newspaper?
- Did I consider all relevant information and facts and include them in the decision process?
  - Is the benefit connected to any services in return?
  - Who is the recipient (private person, business partner or a public official)?
  - Is the relationship between the recipient and donor of the benefit free of any possible objections?
  - Are the circumstances of the benefit transparent?
  - Is the type of benefit free of objections?
  - Is the value of the benefit appropriate?

- Is the frequency of the granted benefit adequate and free of objections?
- Regarding invitations, is the inviting person participating in the event?

### Where to get support

If you find it difficult to provide a comfortable answer to one of the above questions, ask [compliance@westwing.de](mailto:compliance@westwing.de).

# 15

## Whistleblower mechanism

If at any time a Westwing employee becomes aware of an activity prohibited by this Policy, or is offered a bribe by any third party, or is approached by a third party who solicits a bribe or in any way threatens the employee if a bribe is not paid, the employee should immediately contact [compliance@westwing.de](mailto:compliance@westwing.de) or file a report through our whistleblower tool. Anonymous reporting is possible. We will assure the confidentiality and protection of any employee who makes a disclosure in good faith about a violation of this Policy.

# Annex

## **Gifts, hospitality, entertainment**

Benefits must not affect business decisions in an illegitimate way. Even the impression of an undue influence has to be avoided. All benefits must always be adequate and consistent with the applicable law. At the same time, it is also important not to contradict Westwing's interests and Compliance Policies.

In general, small presents with low volume or "giveaways" of low value do not need approval (value of the benefit is appropriate). However, even benefits of low value must be rejected/not be offered if they may influence you or the recipient in an unlawful way.

In general, the following rules apply:

## GIFTS

<b>&lt; 10 Euro gross</b> cash equivalent	<b>10 - 35 Euro gross</b> cash equivalent	<b>35 - 100 Euro gross</b> cash equivalent	<b>&gt; 100 EUR gross</b> cash equivalent
No approval needed.	Reporting to <a href="mailto:compliance@westwing.de">compliance@westwing.de</a> required.  If taxation is not organized by the donor and you want to avoid taxation, send the gift back. If you want to keep it, <a href="mailto:hr-payroll@westwing.de">hr-payroll@westwing.de</a> needs to be informed and the value will be added to your payroll.	Approval by <a href="mailto:compliance@westwing.de">compliance@westwing.de</a> required.	Gifts of more than 100 EUR can in general never be accepted/offered at all.

## INVITATIONS (E.G., BUSINESS DINNERS/EVENTS WITH BUSINESS PARTNERS)

<b>&lt; 10 Euro gross</b> cash equivalent	<b>10 - 50 Euro gross</b> cash equivalent	<b>50 – 100 Euro gross</b> cash equivalent	<b>&gt; 100 Euro gross</b> cash equivalent
No approval needed.	Reporting to <a href="mailto:compliance@westwing.de">compliance@westwing.de</a> required	Approval by <a href="mailto:compliance@westwing.de">compliance@westwing.de</a> required.  If value > 60 Euro, additionally taxation needs to be considered. If taxation is not organized by the donor and you want to avoid taxation, send the gift back. If you want to keep it, <a href="mailto:hr-payroll@westwing.de">hr-payroll@westwing.de</a> needs to be informed and the value will be added to your payroll.	Invitations of more than 100 Euro can in general never be accepted at all.

Please note, there should not be any benefits to public officials except if the Head of your department, and [compliance@westwing.de](mailto:compliance@westwing.de) have approved the transaction. When unsure please always consult [compliance@westwing.de](mailto:compliance@westwing.de).





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