



WHISTLE-BLOWER POLICY

Adopted by the Management Board on 29 August 2019

Steinhoff International Holdings N.V.
(the “**Company**” and together with its subsidiaries the “**Group**”)

Whistle-blower Policy

1 INTRODUCTION AND COMMITMENT

- 1.1 This whistle-blower policy (the “**Policy**”) has been adopted by the Management Board of the Company pursuant to clause 2.7 of the Regulations of the Management Board (the “**Regulations**”).
- 1.2 Terms used in this Policy shall have the same meaning as ascribed thereto in the Regulations, except where expressly indicated otherwise.
- 1.3 The Group commits itself to:
- 1.3.1 conduct its business activities responsibly, efficiently, transparently, and with integrity and with respect towards all stakeholders;
 - 1.3.2 incorporate its values into its policies (the “**Group Policies**”) and its code of conduct (the “**Code of Conduct**”); and
 - 1.3.3 fostering a culture of zero tolerance regarding unethical behaviour and in particular, the reportable concerns contemplated in this Policy, (“**the Group Ethics Commitment**”).

2 REPORTABLE CONCERNS UNDER THIS POLICY

- 2.1 Any actual, suspected or alleged irregularity, misbehaviour, malpractice, breach or misconduct of a general, operational, governance or financial nature within the Group based on reasonable grounds (each a “**Concern**”), is a reportable incident, including but not limited to:
- 2.1.1 an imminent or current criminal offense, including fraud and theft;
 - 2.1.2 an imminent or current violation of applicable laws and regulations relating to financial matters (such as accounting, internal accounting control, auditing matters, reporting and financial crimes), conflict of interests, bribery, corruption, forgery, theft, crimes against the Group, insider trading, human rights violations, environmental crimes, discrimination and/or harassment, major deficiencies with regard to security in the workplace and/or other similarly severe violations which concern the Group's and stakeholders vital interests;
 - 2.1.3 an imminent or current intentional provision of incorrect information to public bodies and/or other stakeholders;
 - 2.1.4 a violation of the Code of Conduct, including internal rules;
 - 2.1.5 a threat to public or individual health and safety; and
 - 2.1.6 an imminent or current intentional concealment, suppression, destruction or manipulation of information regarding the Concerns.

- 2.1 The scope of this Policy extends not only to Concerns involving Employees, but also to Concerns involving shareholders, consultants, vendors, contractors, outside agencies and/or any other parties in a business relationship with the Group.
- 2.2 A Concern for which specific procedures have been established within the Group as well as personal grievances of Employees are excluded from the scope of this Policy. It is highly recommended that the internal grievance procedures be followed for personal or human resource related issues and if exhausted the whistle-blowers hotline be contacted.

3 RESPONSIBLE PERSONS AND BODIES

- 3.1 The following persons and bodies bear responsibility in terms of this policy:
- 3.1.1 Under the direction of their respective boards, each operating or group services subsidiary of Steinhoff International Holdings N.V. (directly or indirectly, wholly owned or otherwise) ("**Divisional Business**") and their subsidiaries;
- 3.1.2 Any employees (irrespective of the duration of the employment), officers, Managing Directors and Supervisory Directors (collectively referred to as the "**Employees**");
- 3.1.3 Persons who immediately supervise or are immediately responsible for one or more Employees ("**Immediate Supervisors**");
- 3.1.4 Each board of directors of every divisional business within the Steinhoff Group (the "**Divisional Board**");
- 3.1.5 Each CEO (or equivalent) of every divisional business within the Steinhoff Group (the "**Divisional Executive**"); and
- 3.1.6 A committee of persons to be appointed by the board of directors of every divisional business within the Steinhoff Group, mandated to assess and consider reports of whistleblowing within that divisional business (the "**Divisional Whistle-Blowers Committee**").

4 APPLICATION AND RESPONSIBILITIES UNDER THIS POLICY

- 4.1 This Policy applies to all Employees, Immediate Supervisors, Divisional Boards, Divisional Executives and Divisional Whistle-Blowers Committees, each of whom are expected to share and uphold the Group Ethics Commitment.
- 4.2 Internal reporting of suspected criminal or unethical conduct by or within the Group is vital for maintaining the Group's success.
- 4.3 Each Divisional Business is responsible for:
- 4.3.1 establishing and maintaining a whistle-blower reporting facility which supports independent / anonymous reporting;
- 4.3.2 ensuring that the Code of Conduct and this Policy are adopted and well communicated to all employees within their area of responsibility, including specific training on the subject of whistle-blowing, ensuring that rights and responsibilities are clearly understood;

- 4.3.3 integration of the expectations contemplated in this Policy into letters of appointment and contractual arrangements; and
 - 4.3.4 incorporating fraud detection responsibility in the annual internal audit charter and methodology including pro-active detection and fraud prevention procedures as part of internal controls.
- 4.4 Each Divisional Whistle-Blowers Committee is responsible for:
- 4.4.1 proper and appropriate recording and investigation of reports by whistle-blowers;
 - 4.4.2 accurate feedback and reporting of incidents to the relevant local governance structures and the Company's Audit and Risk Committee on a quarterly basis; and
 - 4.4.3 the taking of disciplinary action against Employees where employee negligence has contributed to the commission of a fraud or an irregularity.
- 4.5 Managing Directors, Supervisory Directors and Immediate Supervisors, have the responsibility to:
- 4.5.1 set the tone at the top through creating a culture through words and actions where it is clear that Concerns are not tolerated and that such behaviour shall be dealt with swiftly and decisively;
 - 4.5.2 be familiar with the types of improprieties that might occur within his/her area of responsibility and be alert for any possible indication of an irregularity; and
 - 4.5.3 ensure that an adequate system of internal controls exists within their areas of responsibility and that controls operate effectively.
- 4.6 Employees have the responsibility to:
- 4.6.1 ensure that they are familiar with, and comply with the Code of Conduct, this Policy and other policies of the Group;
 - 4.6.2 ensure that they are familiar with and comply with controls and procedures in their area of responsibility;
 - 4.6.3 understand how their job procedures are designed to pro-actively identify and manage fraud risks when non-compliance may create an opportunity for fraud to occur or go undetected;
 - 4.6.4 report, in good faith, a Concern to their Immediate Supervisor to maintain an open and positive line of communication in accordance with the Code of Conduct (in circumstances where an Employee feels unable or uncomfortable reporting a Concern to his/her Immediate Supervisor, this policy provides a means for every Employee to anonymously report, outside the ordinary reporting channels, a Concern, without jeopardising his/her legal position); and
 - 4.6.5 co-operate in any investigation and treat the information relating to any such investigation as confidential.

5 HOW TO REPORT A CONCERN

- 5.1 An Employee may report a Concern to his/her Immediate Supervisor or anonymously through a whistle-blower facility promptly upon uncovering a Concern. The following procedure shall apply to such a report:
- 5.1.1 The Immediate Supervisor receiving a report of a Concern from an Employee (the "**Reporting Employee**") shall record the Concern in writing including the date of the report;
 - 5.1.2 The Reporting Employee shall review and sign the report, and shall be given a copy of the signed report immediately;
 - 5.1.3 The Immediate Supervisor shall deliver the signed report the Divisional Whistle-Blowers Committee who will record the details in a register, consider the report and make a recommendation, recorded in writing to either:
 - i. inform the Immediate Supervisor, who shall in turn inform the Reporting Employee that the report holds no merit and shall not be pursued; or
 - ii. report the details of the report to the Divisional Executive who shall be responsible for managing reports of whistle-blowing confidentially.
 - 5.1.4 The Reporting Employee shall have the right to access the written decision of the Divisional Whistle-Blowers Committee.
- 5.2 All reports are treated with the utmost confidentiality and are promptly investigated without the risk of recourse for the Reporting Employee, so long as his/her report is made in good faith. The Reporting Employee's name will only be disclosed to the Divisional Whistle-Blowers Committee.
- 5.3 If the Reporting Employee is uncomfortable or unable to report a Concern to his or her Immediate Supervisor, the Reporting Employee may either directly report to the Divisional Whistle-Blowers Committee or the Divisional Executive or make use of the independent whistleblowing facility implemented by the Divisional Business and made widely available to Employees.
- 5.4 In instances where a Reporting Employee fears retaliation that management, or senior management or a an executive as local business level is involved in a Concern, or if there are other reasons for which the Reporting Employee feels unable or uncomfortable to report a Concern to the Divisional Executive, the Employee may contact the Group Chief Executive Officer, the Group Secretary, the Group Chief Risk & Compliance Officer ("**CCRO**") or the Group Chief Audit Executive.
- 5.5 All Concerns relating to the functioning of a Management Board member can be reported directly to the chairperson of the supervisory board.
- 5.6 All Concerns relating to the functioning of a Supervisory Board member (other than the chairperson), can be reported directly to the Chairperson of the Supervisory Board.
- 5.7 All Concerns relating to the functioning of the Chairperson of the Supervisory Board, can be reported directly to the Deputy Chairperson of the Supervisory Board.

- 5.8 The Divisional Executive shall receive reports from the Divisional Whistle-Blowers Committee on the status of investigating specific reports of whistleblowing.
- 5.9 The Divisional Whistle-Blowers Committee shall, on a quarterly basis, report to the Group Audit & Risk Committee the status of reports of whistleblowing at the Divisional Business level.
- 5.10 Divisional Executives/ and Divisional Whistle-Blowers Committee must report all frauds/irregularities involving executive management to the Group Secretary and the Group CCRO.
- 5.11 The Divisional Executive and Divisional Whistle-Blowers Committee shall report all frauds to the applicable insurers via the servicing brokers at entity level. In addition to this, all matters reported to applicable insurers must be reported to the Group CCRO as this may be required to be reported to the insurers at group level.

6 Investigation procedure and corrective actions

- 6.1 The Whistle-Blowers Committee receiving the report via the Steinhoff Whistle-Blowers facility or through an internal channel and where it is deemed to be legitimate and within the scope of this Policy, must within six (6) weeks of receipt of the initial report conduct a preliminary investigation. The outcome of the preliminary investigation will determine if a more comprehensive investigation will follow. The relevant divisional Governance Structure must be satisfied that appropriate actions were instituted, and due process followed by the Whistle-Blower Committee. Intended and final actions together with supporting evidence should be retained and recorded in a register referred to in clause 5.1.3 above.

Investigation procedure

- 6.2 On request, the Reporting Employee will be entitled to receive general information on the progress and conclusion of the investigation and its outcome, unless giving such feedback would be detrimental to the investigation or subsequent actions to be instituted. The Reporting Employee will be informed if no reasonable cause is found to pursue a Concern and conduct further investigations.
- 6.3 The Employee in respect of whom a report has been filed (the "**Investigated Employee**") will have the right, prior to any decision being made, to inspect the report (with the exclusion of the personal details of the person who submitted it) in order to respond to the findings and to prepare for his/her defence.
- 6.4 Subject to the above The employee to be investigated shall be informed as to the allegations against him/her and will be informed that that the Group is responsible for these governance rules, as well as how to exercise their rights of access and rectification, but excluding the identity of the Reporting Employee.
- 6.5 In the event that the accused employee cannot be informed immediately, he/she will be

informed as soon as the risk referred to above ceases to exist. Whether it is possible to inform the accused employee will in all cases be evaluated by the relevant Whistle-Blowers Committee. This evaluation will consider all other measures that might remove the objections to informing the accused employee immediately, including, but not limited to, technical and organisational measures that can be taken to prevent the destruction of evidence.

- 6.6 The accused employee will be notified as soon as is practically possible as to whether they will be suspended pending the outcome of an investigation in consultation with the human resource executive.
- 6.7 As soon as the investigation has been concluded, the accused employee will be informed as to whether any action is to be taken as a consequence of the report. If he/she is informed that no action is to be taken, any suspension will automatically terminate from that date.

Corrective actions

- 6.8 When an Employee has committed an offence, disciplinary action shall be taken in accordance with local legislation, the Code of Conduct and Group / local entity policies.
- 6.9 Any action taken shall be appropriate and fair to the circumstances, applied consistently to all levels of employees, and should be taken only after consultation with the individuals responsible for such actions. Decisions to refer the results of the investigation to the appropriate law enforcement and/or regulatory agencies for further independent investigation will be made in conjunction with the relevant local legal department, the local Management Board and, where applicable, the Supervisory Board. The Group may wish to pursue its own civil action against the perpetrators to recover financial losses. Consultation by the local Management Board with the relevant local legal department is required before taking civil action.
- 6.10 Divisional Executives shall advise the Group's external and internal auditors of any Concerns that could affect the Group's financial statements and all Concerns should be included on the standard quarterly governance reports of each divisional board.
- 6.11 The internal auditors to review the relevant control systems to identify any weaknesses which contributed to the fraud; and if necessary, make recommendations to reduce the risk of similar fraud incidents in the future. The Group's Corporate Affairs Executive will decide, in conjunction with the Group legal department, the relevant local legal department, the Group Secretary and appropriate senior executives, whether information relating to corrective actions taken or sanctions imposed, regarding incidents of fraud or corruption should be brought to the direct attention of any external person or made public through any other means.

7 Guaranteed confidentiality and protection

All information received from the Reporting Employee, on the Investigated Employee and any other information obtained from whatever sources during the investigation will be treated confidentially. The Group will make every effort to protect the Reporting Employee against

retaliation and to keep his/her identity confidential, subject to superseding laws and regulations. In the case where the identity of the Reporting employee is known, only individuals involved (Whistle-Blowers Committee and assistants) in the process of investigating of a Concern will have knowledge of the identity of the Employee and only to the extent where it is strictly required. All investigations will be carried out objectively, and independently from the line management of the area in which the Concern has arisen. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the Group from potential civil liability.

8 Prohibited action against employees for reporting in good faith, legitimate and verified reports or concerns. The Group shall not:

- 8.1.1 Dismiss, suspend, demote, harass, discriminate or intimidate the Reporting Employee;
- 8.1.2 Subject the Reporting Employee to disciplinary action;
- 8.1.3 Transfer the Reporting Employee against his or her will;
- 8.1.4 Refuse due transfer or promotion;
- 8.1.5 Alter the employment conditions of the Reporting Employee unilaterally;
- 8.1.6 Refuse the Reporting Employee a reference or providing him/her with an adverse reference;
- 8.1.7 Deny appointment;
- 8.1.8 Threaten the Reporting Employee with any of the above; or
- 8.1.9 Otherwise affect the Reporting Employee negatively.

9 Anonymous reporting and protection of personal data

- 9.1 The Group encourages each Reporting Employee to provide his/her identity to the Divisional Executive and/or the Whistle Blowers Committee as a means to facilitate the investigation.
- 9.2 If a Reporting Employee chooses to report anonymously, his or her identity will not be required, and the Concern will be investigated as appropriately as possible using the information provided. Communication with the reporting employee will take place through the Whistle-Blower facility. It is acknowledged that, maintenance of the anonymity of the Reporting Employee may have a negative impact on the efficiency of the investigation. The Steinhoff Whistle-Blowers Policy guarantees anonymity and anonymous reporting. Reports submitted to a Divisional Executive or any other applicable person shall at all times maintain the anonymity of the reporting employee.
- 9.3 The Group is the party responsible for the processing of personal data in the context of this Policy. The local required relevant Authority in a particular jurisdiction will be informed of any processing of personal data. The Group will process personal data in accordance with these rules and/or, where it relates to other jurisdictions, the rules of such other applicable jurisdiction.

- 9.4 The Group will take the necessary technical and organisational measures to adequately safeguard personal data against loss or unauthorised access. Personal data may be collected by any data processing method, whether electronic or not. These methods shall in all events be solely in accordance with these rules, i.e. the personal data shall in all cases be processed separately from other Employee information systems or Employee files.
- 9.5 Personal data relating to reports of Concerns that have been found to be unsubstantiated will be removed immediately. Data relating to reports of substantiated Concerns will be removed within two months of the verification work being completed, unless disciplinary action is taken, or legal proceedings are initiated against the person in respect of whom a report has been filed. If the Employee is found to have filed a report in bad faith, the data will be removed within two (2) months of the disciplinary action or the legal proceedings having been completed. "Remove" means destruction of the personal data or adaptation of it in such a way that the person in respect of whom the report was filed, and the Employee who reported the Concern, are no longer identifiable. After the storage periods mentioned above have lapsed, the personal data may only be kept for archiving and statistical purposes in accordance with the applicable laws.
- 9.6 Any Employee may, at any time, request to know whether a Concern has been reported about him/her. If so, they will be provided with a complete written overview of the personal data available about them, unless this would seriously hinder the investigation. If the personal data proves to be incorrect or irrelevant, the person in respect of whom a report has been filed may request that it be removed or amended accordingly.
- 9.7 The person in respect of whom a report has been filed has a right to object to the processing of their personal data in relation to the report on compelling legitimate grounds relating to their situation and in according to relevant local data protection legislation.
- 9.8 Replies to requests for access, correction or removal shall be provided as soon as reasonably practicable, but no later than four weeks from the date of the request. Any refusal shall be in writing and shall mention the reasons why the request is being refused.

10 False allegations and exceptions

- 10.1 The Group does not tolerate false allegations. A Reporting Employee shall do so in good faith and not for personal gain.
- 10.2 Employees found to be deliberately falsifying reports or acting in a manner that is not consistent with our Code of Conduct will be subject to the disciplinary action as deemed appropriate and will not be entitled to the protection referred to in clause 5.

11 Miscellaneous

- 11.1 This Policy is reviewed and evaluated by the Management Board annually and any changes are to be adopted by the Management Board.

11.2 This Policy was adopted by the Management Board on 29 August 2019 and shall be posted on the Group's website.

Annex Whistleblowing numbers

	Toll Free Number	International Number
Steinhoff South Africa	0800 00 49 63.	+27 (0) 12 543 5430
Steinhoff United Kingdom	(0808) 234 8139	+27 (0) 12 543 5430
Mattress Firm	1 855 347 6178	
Steinhoff Asia Pacific/Greenlit Brands	+ 61 3 9811 3275	Australia:1 300 30 45 50 New Zealand: 0800 42 50 08