

Transform SR Holding Management LLC

Summary of the Code of Conduct

Transform Holdco LLC, for itself and all of its subsidiaries (collectively referred to as “TransformCo” or the “Company”), has adopted and implemented a Code of Conduct that applies to and is binding on all TransformCo associates. This summary contains an overview of some of the principles and issues addressed in the Code of Conduct. While associates may use this summary as a quick reference guide, all associates must have read and be familiar with the full Code of Conduct, which is accessible here:

<https://transformco.com/docs/Code-Of-Conduct-07-01-19.pdf>

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TransformCo values honesty, integrity, and adherence to the highest ethical standards. As associates, each of us has a responsibility for upholding these values and maintaining a commitment to basic principles of business ethics and good judgment.

The Code of Conduct (“Code”) reflects our values and defines the common sense behaviors required of all of us to ensure that TransformCo maintains legal and ethical business practices. It is up to each of us to ensure that all of our business relationships are conducted with integrity and honesty, and reflect the letter and spirit of the Code. A good starting point is to act with integrity in everything you do. If you would be ashamed to have your family or friends hear in the news media tomorrow the things you did at work today, then don’t do those things.

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Accounting and Reporting Practices: TransformCo associates have an obligation to ensure that the Company’s financial records are complete, accurate, and otherwise comply with the law and TransformCo policies. False or misleading entries or exclusions in TransformCo financial or accounting records are unlawful and are not permitted.

Bribery: TransformCo has a zero-tolerance approach to all forms of bribery and corruption, including commercial bribery as well as bribery of government officials. TransformCo associates are prohibited from offering, paying, promising to pay, soliciting, accepting, or receiving bribes or kickbacks to improperly influence the business conduct of a government official, vendor, supplier, competitor, or any other third party. A bribe or kickback can include not only money, but also gifts, personal services, travel, tickets, or anything else of value that is given to unfairly influence someone’s business decision. TransformCo further prohibits any activity that creates even the *appearance* of improper conduct, bribery, or corrupt business practices.

Confidential Information and Privacy: While working for the company, you may be given or have access to confidential information. Examples of confidential information include TransformCo systems or process information, non-public information about TransformCo’s

technology systems, and non-public information about TransformCo's business plans or vendor relationships. You should always protect the privacy and security of confidential information. Never disclose confidential information to anyone not authorized to receive it or with no legitimate need to know the information.

Conflicts of Interest: You should always act in the best interest of the Company. Never allow your activities, personal interests, or relationships with others to interfere with your ability to perform your job in the Company's best interests. Conflicts of interest can occur in a variety of circumstances. Examples of potential conflicts of interest include: if you or someone with whom you have a close personal relationship works for a competitor or vendor; if you hold a significant ownership interest in a competitor or vendor; or accepting a gift, meal, or entertainment from a vendor in violation of TransformCo's Business Gifts, Meals, and Entertainment Policy ("Gift Policy"). If you have any doubt whether a situation may involve a conflict of interest, discuss it with your manager.

Gifts, Meals, and Entertainment: An associate must never accept a gift or entertainment under any circumstances – regardless of value – if it could appear to others that the associate's business judgment has been compromised.

- Gifts: Infrequent, unsolicited, non-cash gifts that have a value of no more than \$50 are acceptable if they do not compromise business judgment or create the appearance of impropriety or favoritism. Tickets to sporting events, concerts, or other forms of entertainment when offered for personal use – *i.e.*, without the vendor present – are considered gifts and subject to the \$50 limit.
- Meals: Reasonable business meals at which the giver is present are permissible if occasional rather than frequent and the value of the meal is appropriate to the circumstances. Avoid lavish or excessive meals and any other meals where acceptance could create the appearance of impropriety or favoritism.
- Entertainment: Occasional offers of business-related entertainment, including tickets to a sporting contest, concert, or other entertainment event are acceptable if: (1) the giver will be present; (2) the value of the ticket is no greater than \$250 (not to exceed \$500 annually from any one vendor); and (3) business will be discussed at the event.
 - Tickets to major sporting events, such as the Super Bowl, the NCAA National Championship Game, the Stanley Cup Finals, or other events where tickets are difficult to obtain, may not be accepted unless pre-approved by your manager and the Head of Compliance.

Gifts, meals, and entertainment that fall outside these guidelines (as expressed more thoroughly in the Code and in the Gift Policy) must be declined and/or returned.

Environmental Laws: You are expected to comply with or exceed all applicable laws and regulations related to the environment in each of our facilities.

Fraud: When dealing with customers, vendors, and fellow associates, always be honest and truthful. Never create false or misleading financial, accounting, or other business records. If you suspect others are engaged in fraudulent activity, you have a duty to report it to your manager or to the Office of Ethics & Compliance (compliance@searshc.com), or call the Ethics Hotline at 1-800-8ASSIST (1-800-827-7478).

Use and Protection of Company Assets: As an associate, you are entrusted with Company property, such as a cash, computer, telephone, supplies, inventory, and other equipment and technology. You are expected to protect Company property against theft or loss. Intellectual Property is a specific category of company property – it includes (among other things) inventions, discoveries, ideas, and trade secrets that you or others at TransformCo may develop, or have access to, while working at TransformCo. As with all company property, if you leave TransformCo, any intellectual property you developed or accessed at work must remain with the company.

Workplace Issues:

- **Fair employment practices and diversity:** TransformCo prohibits any “off the clock” work and strictly forbids conduct by associates that may encourage inaccurate time reporting. In addition, TransformCo believes that diversity is critical to our success; we seek to hire, develop, and train the most talented individuals from a diverse candidate pool.
- **Harassment:** Our associates have the right to work in an environment free from discrimination, harassment, or intimidation. Discrimination or harassment, whether based on a person’s race, color, religion, gender, gender identity, age, national origin, disability, citizenship status, sexual orientation, veteran status, marital status, ancestry, pregnancy, ethnicity, genetic information, or any other reason prohibited by law, will not be tolerated. TransformCo prohibits retaliation against applicants and associates for filing a good faith complaint or assisting in an investigation under federal, state, or local employment discrimination laws. TransformCo also prohibits an associate from making any claim known by that associate to be false.
- **Safe and Healthy Workplace:** Violence or the threat of violence against anyone will not be tolerated. Associates are responsible for maintaining a safe and productive workplace and, therefore, must report any safety concerns or accidents.

Other principles and issues addressed in the Code of Conduct:

- **Antitrust** (avoiding unfair or anticompetitive business practices)
- **Charitable Contributions and Political Activities**
- **Communications** (dealing with requests from government agencies, the media, vendors, and the public)
- **Customs and Import laws**
- **Government Contracts** (requirements for contracts with federal, state, or local governments)

- **Human Rights**
- **Pharmacy Compliance**
- **Product Safety**
- **Securities Laws (Insider Trading)**
- **Vendor Samples and Vendor Standards**

Questions: If you have any questions regarding the Code, a TransformCo policy, or any suspected improper conduct, you have a responsibility to discuss the matter with your manager or your HR representative, or else contact the Office of Ethics & Compliance (compliance@searshc.com) or call the Ethics Hotline, which is available 24 hours per day 7 days per week, at 1-800-8ASSIST (1-800-827-7478).

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