# Sears Holdings Social Media Policy

#### I. **Purpose and Scope**

The Sears Holdings family of companies ("SHC" or the "Company") recognizes the positive impact Social Media can have on our business. These communications, for example, may help promote our brands, products, promotions and sweepstakes, and encourage the exchange of information and ideas. However, Social Media must be used responsibly and within the bounds of the law.

This Policy sets forth the guidelines for associate use of Social Media. This Policy applies to all Social Media tools and technologies that can reasonably come within the definition of "Social Media."

This Policy covers:

- 1. The use of external Social Media that can be viewed or accessed by persons who are not SHC associates, including Company's blogs and customer forums, and all forms of general, public Social Media not sponsored by the Company, but where an associate's affiliation with the Company may be in any way inferred or identified.
- 2. The use of internal SHC Social Media, such as Pebble, tools within SHC's Cultural Beliefs, Segno, Game-on, Soundboard, etc. that can be viewed or accessed only by SHC associates.

Associates who utilize Social Media must adhere to Company policies relating to confidential information regarding customers, members, associates, products, services, finances, and business strategies.

Associates also must comply with the Company's Code of Conduct, intellectual property, Anti-Discrimination/Anti-Harassment, and other applicable Company policies or agreements the associate may have entered into with the Company.

This Policy does not limit, interfere with or in any way restrain your personal expressions of opinions or statements or other communications regarding wages, hours, workplace concerns, or other group concerns about the terms and conditions of your or other associates' employment.

Failure to comply with this Social Media Policy may result in disciplinary action up to and including termination of employment.

### II. **Definition of Social Media**

# For the purposes of this Policy. Social Media is defined to include, but is not limited to.

participation in, use of or commentary ("posts") within the following channels:

- Blogs in written or video form (also known as vlogs)
- Message Boards
- Chat rooms
- Online forums and review sites
- Social networks
- Personal websites
- Professional networks
- Video sites
- Platforms that provide "live" streaming
- Digital communications systems
- User profiles in any of the above
- Other content published online
- Pebble
- Game-on
- Cultural Beliefs tools (Focused Feedback, Focused Recognition, Soundboard, etc.)

### III. <u>Associates' Use of Social Media</u>

All associates posting content about or related to the Company through Social Media are required to comply with these rules.

- 1. **Take responsibility.** You are responsible for the content you communicate in Social Media.
- 2. Do not represent yourself as a spokesperson for the Company without permission.
- 3. **Respect the rights and property of others.** Respect the rights of others, including copyrights, trademarks and rights of privacy. You must also always protect the Company's intellectual property and confidential information. Examples of confidential information include, but are not limited to, sales check numbers, customer/member information, Segno training codes, etc.
- 4. **Use common sense.** Professional, respectful communications are always the best way to use Social Media.
- 5. When communicating with audiences outside SHC, be transparent about your role. Be candid and clear about your role at the Company. Any time you are writing about a Company product, service, or shopping experience with the Company you **must disclose** that you are employed by the Company.

*For example*, if you are a buyer of athletic footwear and post comments on your blog about a footwear brand in an effort to promote the Company's sale of the brand you should disclose the fact that you are a footwear buyer for the Company. For example, you might add #associate, #employee, #IWorkhere or #IWork4Sears/Kmart within such a post on social media.

6. When communicating with audiences outside SHC, always include mandatory disclaimers and rules. If you refer to or provide any links to a Company contest or sweepstakes online you must include the language "Void where prohibited. No purchase necessary. Click here for Official Rules." You must link this language to the official sweepstakes rules. If posting about a contest you should not offer any tips or other strategies for entrants.

# IV. <u>Prohibited Posts</u>

In order to maintain the Company's reputation and to avoid violations of applicable policy and/or law, you may not post or discuss any of the following in Social Media:

- 1. Company confidential or proprietary information.
- 2. Company intellectual property such as drawings, designs, software, ideas and innovations, or any other matter that is a trade secret, copyright or patent protected by law.
- 3. Confidential or proprietary information belonging to customers, members, associates, clients, partners, vendors, and suppliers.
- 4. Commercially sensitive and confidential information such as launch dates, release dates, and pending reorganizations.
- 5. Maliciously false statements about, or content that maliciously disparages the Company's or its competitors' products, services, marketing or advertising.
- 6. Maliciously false statements about, or content that maliciously disparages the moral character of, competitors' executive leadership or employees and/or the Company's executive leadership or associates.

Further, associates participating in Social Media activities in connection with the Company's products and services must not:

- 7. Use inappropriate sexual references or refer to use or sale of illegal drugs.
- 8. Use obscenity or profanity, including acronyms.
- 9. Engage in disparagement or harassment of any individual or group because of race, color, national origin, religion, gender, gender identity, gender expression, gender stereotyping, sex, pregnancy, childbirth or related medical condition, age, ancestry, ethnicity, marital status, protected military or veteran status, mental or physical disability, protected medical condition, sexual orientation, genetic information, citizenship status, other bases protected by applicable law, or any other category protected by the <u>Company's Equal</u> <u>Employment Opportunity policy</u>.

# V. <u>Requirements for Non-Exempt Associates</u>

Non-exempt (overtime eligible) associates are paid for all hours worked in accordance with applicable law. They are responsible for accurately recording their time and are prohibited from working off the clock. Additionally, non-exempt associates must have a legitimate business reason for accessing and/or posting information to Social Media sites while on the clock. Work-related use of Social Media by non-exempt associates while off the clock is strictly prohibited.

# VI. <u>Supplements Existing Associate Agreements</u>

This Social Media Policy supplements but does not supersede the Company's Code of Conduct, any other Company policies or agreements the associate may have entered into with the Company. You hereby agree to comply with the terms of this Policy and understands that failure to do so may result in disciplinary action up to and including termination.

| Author       | Approval     | <b>Prior Version</b> | Date of Revision |
|--------------|--------------|----------------------|------------------|
| Sarah Steele | Mark Semisch | 8/28/2015            | 2/3/2017         |