

**BIG LOTS, INC.**  
**CODE OF BUSINESS CONDUCT AND ETHICS**

**Introduction**

This Code of Business Conduct and Ethics covers a wide range of business principles to guide all directors, officers and associates of the Company. All of our directors, officers and associates must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. The Code should also be provided to and followed by the Company's agents and representatives, including consultants.

If a law conflicts with a policy in this Code, you must comply with the law; however, if a local custom or policy conflicts with this Code, you must comply with the Code. If you have any questions about these conflicts, you should ask your supervisor how to handle the situation.

Those who violate the standards in this Code will be subject to disciplinary action. *If you are in a situation which you believe may violate or lead to a violation of this Code, follow the guidelines described in Section 13 of this Code.*

**1. Compliance with Laws, Rules and Regulations**

Obedying the law, both in letter and in spirit, is the foundation on which this Company's ethical standards are built. All directors, officers and associates must respect and obey the laws of the cities, states and countries in which we operate. Although not all associates are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel. The Company holds information and training sessions to promote compliance with laws, rules and regulations, including insider-trading laws.

**2. Conflicts of Interest**

A "conflict of interest" exists when a person's private interest interferes or appears to interfere in any way with the interests of the Company. A conflict situation can arise when an associate, officer or director takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also arise when an associate, officer or director, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations of, associates and their family members may create conflicts of interest.

You agree that you will devote substantially all of your working time and attention to the performance of your assigned duties within the Big Lots organization, as required, and will not, without the written consent of Big Lots, directly or indirectly, enter into any other employment, business or professional activity for compensation, profit, or financial gain.

Conflicts of interest are prohibited as a matter of Company policy, except under guidelines approved by the Board of Directors. Conflicts of interest may not always be clear-cut, so if you

have a question, you should consult with your supervisor or manager or the Company's General Counsel. Additional guidance for associates may also be found in the Company's Human Resources Policy Manual. Any associate, officer or director who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in Section 13 of this Code.

### **3. Insider Trading**

Associates, officers and directors who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of our business. All non-public information about the Company should be considered confidential information. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. If you have any questions, please consult the office of the Company's General Counsel. Additional guidance for associates may also be found in the Company's Human Resources Policy Manual.

### **4. Corporate Opportunities**

Associates, officers and directors are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors. No associate, officer or director may use corporate property, information, or position for improper personal gain, and no associate may compete with the Company.

### **5. Competition and Fair Dealing**

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained illegally without the owner's consent, or inducing such disclosures by past or present associates of other companies is prohibited. Each associate should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and associates. No associate should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

To maintain the Company's valuable reputation, compliance with our quality processes and safety requirements is essential. In the context of ethics, quality requires that our products and services be designed and manufactured to meet our obligations to customers. All inspection and testing documents must be handled in accordance with all applicable regulations.

### **6. Gifts and Entertainment**

The general purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships. If they do more than that, they may have the potential to unduly influence judgment or create a feeling of obligation. Associates, officers and directors may not solicit any kind of gift from present or potential vendors, suppliers, customers or governmental bodies.

Gifts may only be accepted when permitted under applicable law if they are (1) non-cash gifts of nominal value or (2) gifts from family or friends with whom you have a non-business relationship. In addition, customary and reasonable meals and entertainment at which the presenter is present, such as the occasional business meal, sporting event or concert, are also acceptable if the purpose of which is to hold bona fide business discussions or to foster better business relations. In all circumstances, gifts and/or business meals and entertainment may only be accepted with the knowledge and consent of your supervisor.

The purpose of this policy is to avoid violations of law and to insure that the Company's business is safeguarded from undue influence of bribery and personal favors. Necessarily, the application of the policy stated herein will require good judgment and common sense. If you encounter situations in which you are not sure of your obligations, you should consult the Company's General Counsel. Additional guidance for associates may be found in the Company's Human Resources Policy Manual.

## **7. Record-Keeping**

The Company requires honest and accurate recording and reporting of information in order to make responsible business decisions. For example, only the true and actual number of hours worked should be reported.

Many associates regularly use business expense accounts, which must be documented and recorded accurately. If you are not sure whether a certain expense is legitimate, ask your supervisor or your controller. Rules and guidelines are available from the Human Resources Department.

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform both to applicable legal requirements and to the Company's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation. Each associate and officer is required to report any misstatement, omission or accounting irregularity in order to bolster the Company's accounting controls.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies. This applies equally to e-mail, internal memos, and formal reports. Records should always be retained or destroyed according to the Company's record retention policies. In accordance with those policies, please consult the Company's General Counsel if you become aware of any litigation or governmental investigation relating to the Company.

## **8. Confidentiality**

Associates, officers and directors must maintain the confidentiality of confidential information entrusted to them by the Company or its customers, except when disclosure is authorized by the Law Department or required by laws or regulations. Confidential information includes information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to us. The

obligation to preserve confidential information continues even after employment ends. Additional guidance for associates may be found in the Company's Human Resources Policy Manual.

## **9. Protection and Proper Use of Company Assets**

All associates, officers and directors should endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Company equipment should not be used for non-Company business, although incidental personal use may be permitted.

The obligation of associates, officers and directors to protect the Company's assets applies to the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Company policy and may be illegal and result in civil or even criminal penalties.

## **10. Waivers of and Amendments to the Code of Business Conduct and Ethics**

Any request for a waiver of this Code must be raised promptly to allow enough time for the necessary review and approval. The Board or a designated committee of the Board may approve the waiver. The Company will disclose such waiver to the extent and in the manner required by law, regulation, or stock exchange listing standard. The Board may amend this Code from time to time as it deems necessary or appropriate.

## **11. Reporting any Illegal or Unethical Behavior**

Associates are encouraged to talk to supervisors, managers or other appropriate personnel (including, if applicable, the Company's Audit Committee) about observed illegal or unethical behavior and when in doubt about the best course of action in a particular situation. Associates may make any such report on a confidential basis. It is the policy of the Company not to allow retaliation for reports of misconduct by others made in good faith by associates. Associates are expected to cooperate in internal investigations of misconduct.

## **12. Human Resources Policy**

The Company's Human Resources Policy Manual is available to any director, officer or associate upon request. It is the responsibility of supervisors and managers to inform associates of the Company's policies, to resolve day-to-day issues, and to respond to questions regarding applicability and interpretation of the Company's policies. Questions concerning interpretation of the Company's policies and procedures should be directed to the Human Resources Department.

## **13. Compliance Procedures**

We must all work to prevent violations of this Code. However, in some situations it is difficult to know right from wrong. In those situations, it is important to consider and take the following actions, as appropriate given the situation:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems.
- Seek help from Company resources. In the rare case where it may not be appropriate to discuss an issue with your supervisor, or where you do not feel comfortable approaching your supervisor with your question, discuss it with your manager or your Human Resources manager. If that also is not appropriate, call (866) 834-7325, the Company's BigVoice hotline, which will put you in direct contact with the appropriate people at Company headquarters or, if appropriate, the Chairman of the Company's Audit Committee. If you prefer to write, address your concerns to:

Ethics Department  
 c/o Office of the General Counsel  
 Big Lots, Inc.  
 4900 E. Dublin-Granville Road  
 Columbus, Ohio 43081

- You may report ethical violations in confidence and without fear of retaliation. The Company does not tolerate any retaliation against anyone who in good faith reports possible violations of law, this Code, or other company policies or procedures, or who ask questions about proposed actions. If your situation requires that your identity be kept secret, every effort will be made to protect your anonymity. The Company does not permit retaliation of any kind against associates, officers or directors for good faith reports of ethical violations.
- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.