

Ethical Conduct Policy

BED BATH & BEYOND INC. AND SUBSIDIARIES

POLICY OF ETHICAL STANDARDS FOR BUSINESS CONDUCT

I. Introduction

It is the policy of Bed Bath & Beyond Inc., its subsidiaries and affiliates (hereinafter called the "Company"), to conduct all business transactions in accordance with the highest ethical standards. This document (the "Policy") sets forth the ethical standards all associates (including all officers) and members of the Board of Directors of the Company are expected to abide by when acting on behalf of the Company. Any associate who shall be found to have violated this Policy shall be subject to disciplinary action, up to and including termination. Any claim that a Director has violated this Policy will be reviewed by the full Board of Directors.

II. Business Ethics and Conduct

1. **Compliance with Laws:** All individuals shall conduct their business affairs on behalf of the Company in accordance with all applicable laws of the United States and other governmental jurisdictions in which the Company does business, and shall observe the highest standards of business ethics. Specifically, and without limitation:

- All individuals must observe the antitrust laws, consumer protection laws, and all other laws governing the marketplaces in which we operate.
- All individuals must display the highest standard of legal and ethical behavior with respect to the intellectual property rights of third parties.
- All individuals involved in the preparation, review and filing of financial reports and other information for public disclosure regarding the Company must accurately record all financial dealings and comply with the laws and regulations regarding such activities. All associates who provide information as a part of this process must comply with the Company's disclosure controls and procedures.

In addition, the use of the Company's funds, services or assets for any personal, unlawful or improper purposes is strictly prohibited. No individual shall engage in the practice of purchasing privileges or special benefits on behalf of the Company through the payment of bribes, gratuities or other forms of payoffs. No individual shall accept payment from domestic or foreign companies in violation of any law.

2. **Political Contributions:** Political contributions are highly regulated on the federal, state and local governmental levels. No contributions may be made with Company funds or in the name of/on behalf of the Company without authorization from the Board of Directors.

3. **Payment to Government Personnel:** All individuals must comply with the laws of the countries in which the Company operates (including concerning bribery and corruption), in addition to the laws of the United States (including the Foreign Corrupt Practices Act (the "FCPA")). The FCPA broadly prohibits commercial bribery of non-U.S. officials. Specifically, the FCPA makes it a crime to offer, promise, authorize or make a corrupt payment (*i.e.*, a "bribe") of money or anything else of value, directly or indirectly, to a non-U.S. official or to any person for the benefit of a non-U.S. official, for the purpose of obtaining, retaining or directing business to anyone, or to obtain any improper business advantage. The FCPA covers a broad array of "officials," including, among others, employees of government-owned or -controlled businesses. Other laws prohibit these types of payments to U.S. government officials as well. It is important to recognize that the FCPA's prohibition covers both monetary and non-monetary things of value. Even relatively minor gifts, services to, and/or improper entertainment of domestic or foreign government personnel or their

family members are strictly prohibited since they may be construed as attempts to influence government decisions in matters affecting the Company. In addition, the FCPA mandates that all financial records be kept in reasonable detail and accurately and fairly reflect the transactions of the Company.

4. **Commercial Bribery:** No individual shall engage, or authorize an agent of the Company to engage, in the soliciting, receiving or accepting, either directly or indirectly, of any bribe, kickback or other improper payment from any associate or agent of any supplier, landlord, lessee, competitor or other entity dealing with the Company.

III. Conflicts of Interest

1. **Acceptance of Gifts:** Company policy generally prohibits the acceptance of gifts or gratuities from any of the Company's current or potential business partners (whether they be vendors, landlords, competitors, outside consultants or others), whether in the form of money, merchandise, services, honoraria, and other things of value or any other form (other than non-cash promotional gifts of nominal value [\$25 or less] generally used for promotional purposes by such business partners). If any such gift is offered to an individual by such a business partner, and if such individual's best judgment is that acceptance of such gift (i) is in the best interest of the Company, and (ii) would not interfere with their ability to exercise independent judgment on behalf of the Company regarding future transactions with such business partner, then it is the individual's obligation and responsibility, prior to accepting the gift, to inform the most senior Company Vice President of their group or region (or, in the case of an Executive Officer and other key executives reporting directly to the Chief Executive Officer (collectively "the Company's Operating Team"), the Chief Executive Officer; or, in the case of a Director, the Lead Director), who shall make the determination as to whether and under what limited circumstances the gift may be accepted. In situations where the gift (other than a promotional gift) has already been received, it is the associate's obligation and responsibility to inform the most senior Company Vice President of their group or region (or, in the case of an Executive Officer or a member of the Company's Operating Team, the Chief Executive Officer; or, in the case of a Director, the Lead Director), who shall determine the proper disposition of such gift. In most cases the proper disposition will be the equitable distribution of such gifts among other associates of the Company.

2. **Entertainment and Business Meals:** Company policy generally prohibits the acceptance of offers of entertainment from any of the Company's current or potential business partners (whether they be vendors, landlords, competitors, outside consultants or others), such as tickets to shows or sporting events, non-business travel, vacation arrangements, etc. If any such offer is made to an individual by such a business partner, and if such individual's best judgment is that acceptance of such offer (i) is in the best interest of the Company, and (ii) would not interfere with their ability to exercise independent judgment on behalf of the Company regarding future transactions with such business partner, then it is the individual's obligation and responsibility, prior to accepting such offer, to inform the most senior Company Vice President of their group or region (or, in the case of an Executive Officer or a member of the Company's Operating Team, the Chief Executive Officer; or, in the case of a Director, the Lead Director), who shall make the determination as to whether and under what limited circumstances the offer may be accepted. Acceptance of invitations to occasional business meals from such current or potential business partners involves an acceptable and normal business practice if kept within reasonable limits; however, the frequency, cost and other circumstances surrounding such business meals should not be such that the individual's ability to exercise independent judgment on behalf of the Company is or may appear to be compromised. In all cases, associates must inform the most senior Company Vice President of their group or region (or, in the case of an Executive Officer or a member of the Company's Operating Team, the Chief Executive Officer; or, in the case of a Director, the Lead Director) prior to the occurrence of such business meals.

3. **Investing in Suppliers or Competitors:** Individuals must avoid investments in any company if that investment interferes or might appear to interfere with their independent business judgment.

The determination of whether any such investment is improper depends on the facts and circumstances of each case. An investment would likely be viewed as inappropriate if the Company and the other company have a business relationship or are competitors and the individual's financial interest is of such a size that his or her decision making process could or might appear to be influenced. Similarly, an investment of any size would likely be viewed as inappropriate if made while the individual was in active negotiations with the other company. However, as a general rule, to the extent the individual neither has nor is likely to have any direct business dealings with the other company, an investment would not be deemed improper if it (i) is in a company whose shares are registered on a national securities exchange; (ii) represents less than one tenth of 1% of the shares outstanding of the company in question; and (iii) is made without the use of material non-public information gained during the course of employment with the Company. For purposes of this Policy, investment means stocks, bonds, notes, debentures, options, etc. Ownership of broad based mutual funds that may hold investments prohibited by this Policy is not deemed to be a violation. It is the individual's obligation and responsibility to bring any such investment or any relationship that might appear to interfere with independent business judgment to the attention of the most senior Company Vice President of their group or region (or, in the case of an Executive Officer or a member of the Company's Operating Team, the Chief Executive Officer; or, in the case of a Director, the Lead Director).

4. *Outside Employment:* Subject to the following conditions, associates may hold jobs outside the Company. All associates must meet the performance standards of their job with the Company. All associates will be judged by the same performance standards and will be subject to the Company's scheduling demands, regardless of any outside work requirements. If the Company determines that an associates' outside work interferes with performance or the ability to meet the requirements of the Company as they are modified from time to time, the associate may be asked to terminate the outside employment if he or she wishes to remain with the Company. Outside employment that, in the sole discretion of the Company, constitutes a conflict of interest, that may result in the disclosure of the Company's confidential information, that has the appearance of impropriety, or that may otherwise damage the reputation of the Company (i.e. employment with a direct competitor, major vendor or supplier) is not permitted and the Company may require an associate to terminate such employment in order to remain with the Company. For purposes of this paragraph, outside employment means any relationship where value is provided for services rendered, including, without limitation, a consulting, advising or brokering relationship.

5. *Employment of Relatives or Close Friends by Company Business Partners:* Conflicts of interest may arise as a result of (i) the Company doing business with a business partner which employs a close friend or a relative of an associate at the Company, and/or (ii) employment by a Company business partner of close friends or relatives of an associate at the Company (i.e., the daughter of a Company associate is hired by the Company's outside accounting firm). Prior to any such business relationship or employment, the associate involved must inform the most senior Company Vice President of their group or region (or, in the case of an Executive Officer or a member of the Company's Operating Team, the Chief Executive Officer; or, in the case of a Director, the Lead Director), who shall then make a determination as to what additional controls, if any, should be implemented in order to avoid actual conflicts of interest.

6. *Solicitation of Business Partners:* Company policy prohibits the solicitation by associates of charitable contributions from our vendors, landlords, consultants or other current or potential business partners, other than (i) with the prior approval of the Company's General Counsel, and, if approved, (ii) subject to such controls as the General Counsel may require for the purpose of preventing any contributions made as a result of such solicitations from interfering with or giving the appearance of compromising the exercise by associates of independent judgment on behalf of the Company. Note that this policy does not apply to solicitations in an amount in any single instance of \$100 or less made by associates to employees of our business partners (with whom they have established a personal relationship) for charities such as walk-a-thons, Girl Scout cookies, etc., but any such solicitation and donations (A) shall not be of a type or a frequency which would interfere with or give the appearance of compromising the exercise by associates of independent judgment

on behalf of the Company, and (B) shall be disclosed by the associate in advance to the appropriate Vice President of their group or region.

7. *Doing Business with Former Associates:* When a former associate accepts a position with, or on behalf of, a Company business partner, the Company may choose not to do business with that former associate and/or that Company business partner if a conflict of interest is determined to exist. If a current associate is approached by a former associate seeking to do business with the Company, or if a current associate seeks to do business with such former associate, the current associate must first bring the matter to the attention of the most senior Company Vice President of their group or region (or, in the case of an Executive Officer or a member of the Company's Operating Team, the Chief Executive Officer; or, in the case of a Director, the Lead Director).

8. *Indirect Violations:* An individual should not be indirectly involved (i.e. through a spouse, family member or friend) in any activity which would violate this Policy if he/she engaged in the conduct themselves. For example, if an investment by an associate in a company would be inappropriate under section III(3) of this Policy, it would also be inappropriate for the associate to make such an investment through a spouse, family member or personal friend.

IV. Associate Honesty

As each of us experiences more personal accountability, we must ensure that we maintain the highest level of intellectual honesty in our daily responsibilities. Examples of conduct that are considered to violate this standard include but are not necessarily limited to:

- Knowingly failing to bring to senior management's attention violations of any provisions of this Policy of which you become aware.
- Misstating of inventory by non-compliance with Company policies or procedures through deliberate action.
- Deliberate disregard for policies or procedures in order to manipulate a result regardless of whether or not the effect is positive or negative upon the Company.
- Purchasing merchandise with an associate discount for the purpose of re-selling such merchandise for personal gain.

Obviously, all situations cannot be covered by a policy statement. Good judgment coupled with a high sense of personal integrity is the best policy.

V. Authorized Use of Company Property/No Expectation of Privacy

As with all Company assets, the Company's telephones, computers, telecopiers, office supplies, electronic mail, smartphones and any other electronic communication device are intended for authorized business use only. The Company has specific policies governing use of the Company's electronic communications systems and the Internet. These policies are available on the Company Intranet site.

Authorized Company personnel must have access to information stored on our computers including our electronic mail system. This may include, but not be limited to, receiving business information, trouble shooting, preventing system misuse, assuring compliance with policies, etc. Given these business requirements, individuals should not have any expectation of privacy with regard to Company files, disks, storage areas, computer systems or electronic mail, including messages sent or received using Company systems.

VI. Confidential Information

The Company may reveal or disclose to you certain information or you may be exposed to information of a third party, that the Company considers to be highly confidential ("Confidential Information"). Confidential Information includes proprietary business information such as sales figures, earnings information, business methods, business strategy, plan-o-grams, control sheets, pricing information, vendor information and customer information, as well as other related proprietary business information. Confidential Information also includes the following non-public personal information of associates: social security numbers, financial account numbers, driver's license numbers and medical information (including family medical history). Individuals may not, directly or indirectly, disclose Confidential Information of the Company or a third party to anyone for any reason other than in the course of and relating to the individual's activities on behalf of the Company. Individuals should also avoid any casual conversation concerning any Confidential Information in public areas, where Confidential Information may be overheard by persons outside the Company and/or persons within the Company who do not have any business need to know such information. Associates' and Directors' obligation not to disclose Confidential Information shall continue after cessation of employment or directorship, respectively, unless and until the information becomes generally known to the public by reasons other than improper disclosure. A more complete discussion of the Company's policy on Confidential Information is contained in the Associate Handbook.

VII. Waivers

Requests for waiver of any provision of this policy may only be granted by the most senior Vice President responsible for an associate's area, and in the case of a member of the Company's Operating Team, may only be granted by the Chief Executive Officer, and all waivers must be approved in advance by the Legal Department. Only the Board of Directors or a designated committee of the Board may grant any waiver involving an Executive Officer or Director, and such waivers will be disclosed to the Company's shareholders. Generally, waivers will not be granted except in cases where good cause is shown.

VIII. Effect on Other Policies/Revisions

This Policy serves to supplement other policies and guidelines published by the Company, including but not limited to the Company's policies on Mutual Respect, Sexual Harassment, Equal Opportunity Employment, Substance Abuse, Prohibitions on Insider Trading, Travel and Expenses and the Personal Information Security Policy. Information on these and other Company policies are available in the Associate Handbook, on the Company Intranet site or by contacting Human Resources. This Policy is subject to revision or variance from time to time at the discretion of the Company, as circumstances dictate.

IX. Questions and Comments/Providing Information

Any questions regarding this policy or information regarding possible violations should be directed to Bill Gilooly, Vice President - Human Resources, who can be reached at (908) 855-2259, or Allan Rauch, Vice President - Legal and General Counsel, who can be reached at (908) 855-4562. Or you may call The Network at 1-800-241-5689, where you may remain anonymous if you prefer. All reports of possible violations will be fully investigated and responded to, as appropriate, in accordance with this Policy and/or any other Company policies bearing on the claimed violation.