



# Human Rights Policy Statement

ALDI SOUTH Group



### Human Rights Policy and scope

We are certain that long-term business success can only be ensured if human rights are acknowledged and respected, protected and fulfilled.

We believe that companies should be committed to respecting human rights and preventing human rights violations. Our commitment therefore encompasses our own business operations and business relationships, as well as impacts indirectly caused by our actions.

The ALDI SOUTH Group respects all internationally recognised human rights. There are certain human rights aspects that are of increased relevance to us as a food retailer and vendor of non-food as our actions could have a stronger impact on these. These relate to topics such as discrimination, health and safety, freedom of association, remuneration, working hours, child labour and forced labour. We review our human rights impact, in particular our areas of focus, in cooperation with external experts.

### Standards, policies and organisations

We are committed to fulfil our responsibility to respect human rights as per the **United Nations Guiding Principles on Business and Human Rights (UNGPs)**<sup>7</sup> adopted in 2011 and regular reporting on how we fulfil our due diligence in line with the UNGP framework. The following standards and policies define the framework for our actions:

- the United Nations Universal Declaration of Human Rights,
- the UN Convention on the Rights of the Child,
- the UN Convention on the Elimination of All Forms of Discrimination against Women,
- the ILO core labour standards, as well as
- the OECD Guidelines for Multinational Enterprises.

The established values and standards are also reflected in our own principles, which constitute a binding framework for all of our employees and business partners alike.

### — Corporate Responsibility Principles<sup>7</sup>

The CR Principles define our understanding of commitment towards people and planet.

### — ALDI Social Standards in Production<sup>7</sup>

The ALDI Social Standards in Production reflect our commitment to human rights and fair labour standards throughout our supply chains.

### — ALDI Code of Conduct

The ALDI Code of Conduct is a set of rules outlining fair conduct and ethical business practices for our own employees.

### — ALDI Management System (AMS)

The ALDI Management System defines our principles of personnel management.

We also strive to actively contribute to the achievement of the global **United Nations Sustainable Development Goals (SDGs)**<sup>7</sup> in the context of human rights.

To strengthen our commitment to respect and support the protection of human rights, the ALDI SOUTH Group became the first discount retailer to join the United Nations Global Compact together with the ALDI North Group in 2017.

### Implementation

We continually assess the impact of our actions on human rights. In particular, we set priorities and evaluate risks based on the severity of potential human right impacts. In this context, we are aware that specific groups, such as minorities and women, are potentially more vulnerable to violations of their fundamental human rights. We will continue to increase our dialogue with local stakeholders and potentially affected parties, the human rights of whom may particularly be at risk of being violated.

We strive to prevent and mitigate the impact of any risks we identify, and prioritise by implementing corresponding measures. This involves, among other things, aligning our management and buying practices with this goal, raising awareness and training of relevant employees, our business partners, and suppliers. Wherever our potential influence is low, we participate in industry-wide and multi-stakeholder initiatives.

Grievance mechanisms provide a suitable means of identifying adverse effects at an early stage. For this reason, we have created grievance mechanism processes for our own employees and business partners. However, as the last actor along multi-level, complex supply chains, we have identified particular challenges regarding individual implementation in countries where the products we offer are manufactured. We intend to address this task by developing concepts that improve access to grievance mechanisms in relevant supply chains.

We believe that transparency is a significant component of human rights due diligence. Therefore, we have initiated efforts to provide a greater insight into our supply chains and communicate openly about corresponding risks and the measures we take. We will continue to increase our transparency as part of our human rights efforts.

#### Structure and responsibilities

The ALDI SOUTH Group's CEO of Global Sourcing, Corporate Responsibility International (CRI) and China, oversees the implementation of the Human Rights Policy. Internally, national ALDI country CEOs and Group Managing Directors of the ALDI SOUTH Group are responsible for supervising the implementation of and compliance with the Human Rights Policy. The Managing Director of CRI reports directly to the CEO of Global Sourcing and Corporate Responsibility International (CRI). During regular international management meetings, our company impact on human rights and preventive and mitigation measures are discussed, and human rights-related activities and policies are approved. The respective Managing Directors of all business areas assume operational responsibility for the implementation of and compliance with the declaration of the Policy.

The Corporate Buying departments of our national business have local teams of Corporate Responsibility (CR) experts who are responsible for coordinating measures with consideration of human rights due diligence. Furthermore, an additional international ALDI SOUTH Group CR department employs a team of human rights and supply chain experts. In addition to other tasks, this department reviews the work conducted by the ALDI CR units located in Bangladesh and Hong Kong which perform on-site checks on the conditions throughout our supply chains.

#### Further development

We are aware that the implementation of human rights due diligence is an ongoing development process. Although there is more to do, we are on our way to achieving this goal and are committed to continuous improvement.

#### Legal notice

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Hofer Straße 1  
A-4642 Sattledt  
UID-Nr. ATU24963706  
Firmenbuch: FN 26451z, Landesgericht Wels  
cri@aldi-sued.com

