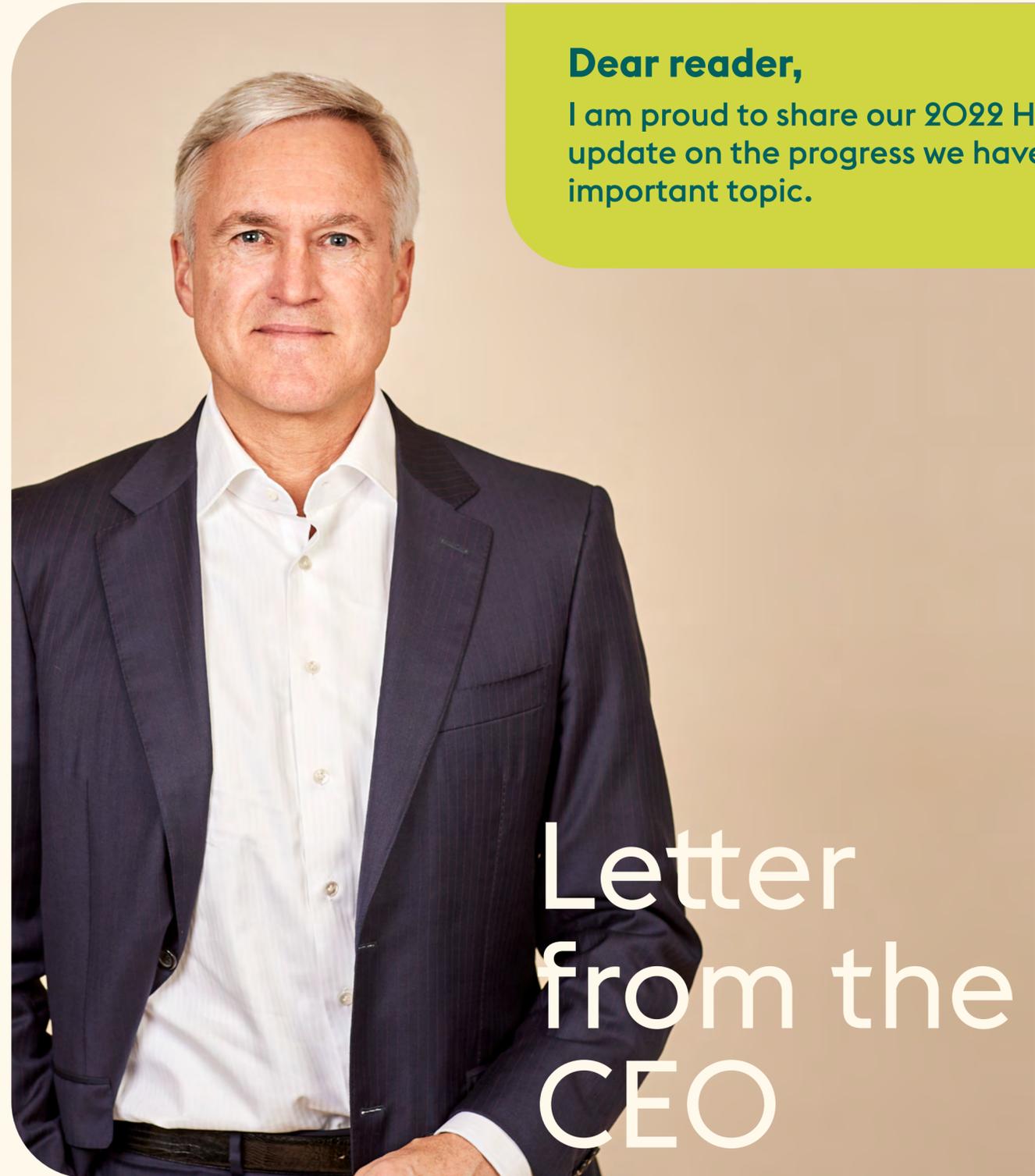


# Human Rights Report 2022



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**Dear reader,**

**I am proud to share our 2022 Human Rights Report and to give you an update on the progress we have made over the last two years on this important topic.**

As I reflect on the steps forward we have taken and the significant accomplishments of our brands, I can't help but also acknowledge the threats to human rights we see all around us. When we published our last Human Rights Report in June 2020, we did not anticipate the magnitude of the challenges we would encounter over the next two years. Since that time, a global pandemic has gripped our world. Social justice issues have challenged the basic institutions on which our cultures and societies are built. We have seen war and atrocities on a scale that seems unimaginable in the 21st century. Our world is in a geopolitical crisis that threatens the most fundamental of human rights.

We see refugees fleeing violence and famine. The impacts of climate change are becoming increasingly apparent. While we are slowly recovering from a global pandemic, many parts of the world will struggle with recovery for years. Accelerated by these developments, economic and social inequality are rising. However, we also recognize that there have been positive developments on human rights. Social justice issues have prompted meaningful conversations about equality, equity and opportunity and there is greater awareness of human rights in general.

All of these developments, both positive and negative, deeply affect our brands' associates and customers, the communities we serve, and the people who work throughout our supply chains. There is no more powerful reminder to do what is right, every day. It is our responsibility, as one of the world's largest

retailers, to respect human rights and to confront these global challenges, every day. By stepping up, we aim to contribute to a more equitable society that recognizes and respects human rights.

Over these past two years, our great local brands have made significant progress on human rights. The brands are the driving force of our business and dedicate themselves to advancing our efforts on topics such as diversity and inclusion, health, sustainability and human rights. During this time, Albert Heijn published its first Human Rights Due Diligence Report. The GIANT Company introduced its first-ever community impact report: Better Tomorrow. And our efforts have been recognized externally as well. Ahold Delhaize was named a Leader in Children's Rights in Global Child Forum's 2021 benchmark and each of our U.S. brands earned top marks in the Corporate Equality Index.

But there are many challenges still ahead of us, and we continue to develop plans and partnerships to address them. We hope that you read this report as an invitation to engage with us and help us implement our Roadmap on Human Rights. We will continue to assess where we can strengthen our due diligence and focus our efforts on developing programs and partnerships to address our priority salient issues.

The foundation of our commitment to human rights is our dedication to doing what is right. As our journey progresses, we will continue to learn and grow so that we can make meaningful contributions to human rights in our brands' operations, supply chains and communities.

Frans Muller  
Chief Executive Officer

# Welcome and introduction

Welcome to our second Human Rights Report! We are excited to share this report with you and reflect on the progress Ahold Delhaize and each of its brands made on our Roadmap on Human Rights. Much has happened in the two years since our last report. We adjusted our lives, both personally and professionally, to a global pandemic. Ahold Delhaize and its brands stepped up in times of crisis to support humanitarian relief efforts and help Ukrainian civilians. Despite these and other challenges, the people who represent Ahold Delhaize and its brands continued to do what is right and follow through on our commitments.

It was not always easy. But we are immensely proud of the progress and results we achieved. It was a true collaborative effort, and this report is the result of the dedication and commitment of many people across Ahold Delhaize and each of its brands. They participated in workshops, attended webinars and shared the case studies for this report. Most importantly, they are the people who work tirelessly to make our brands' workplaces more diverse and inclusive, to protect the privacy of customers and associates, and to engage with suppliers and other stakeholders to improve working conditions in global supply chains (just to name a few examples).

To help you navigate this report, we have divided our content into eight chapters ►

### 1. Ahold Delhaize's Position on Human Rights

Our Position includes Ahold Delhaize's commitments on human rights and specifically outlines our approach to human rights due diligence. As part of the process of writing this report, we updated our Position on Human Rights.

### 2. Strengthening our governance

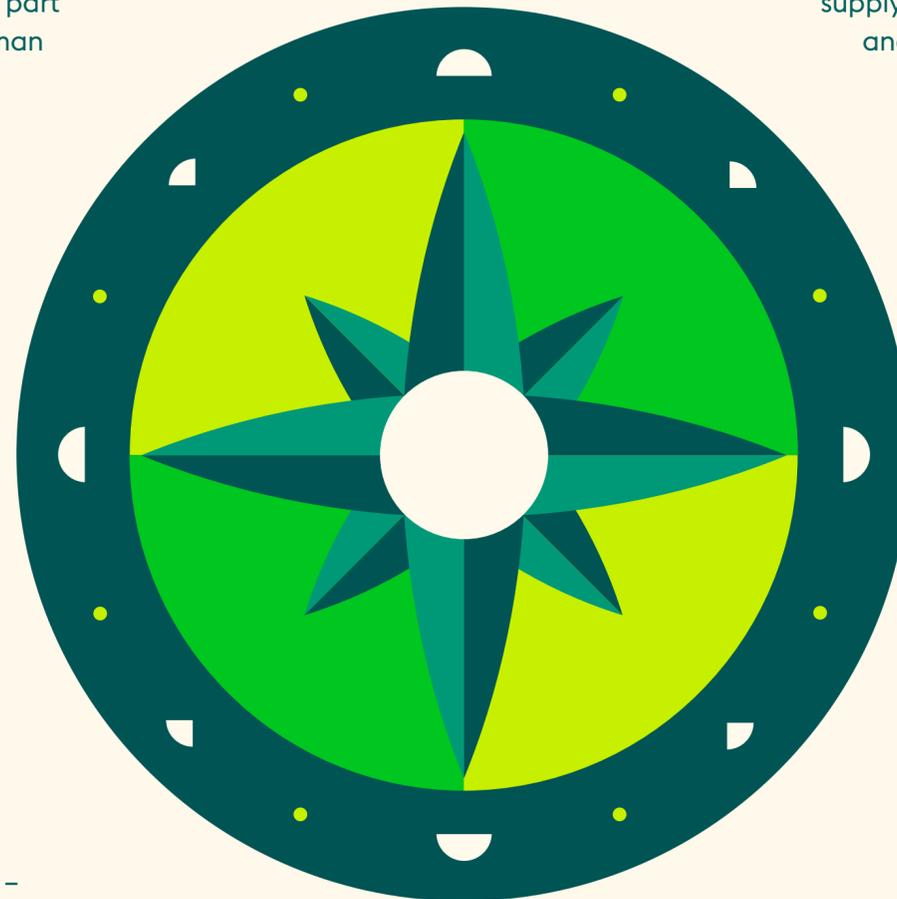
Since our last report, we further developed the governance of human rights at Ahold Delhaize. In this chapter, we share how we engage the Executive Committee, relevant global functions and each of our great local brands, as well as the updates we have made to our policy and guidance framework.

### 3. Our approach to due diligence

In this chapter, we share our approach to due diligence and how we translated the global Roadmap on Human Rights to each of our brands. This includes how we identified vulnerable groups as part of our global due diligence process, how we identify and manage risks, and how we ensure social compliance and certification of critical commodities in our supply chains.

### 4. Human rights in our own operations

We dive into the salient issues identified for our own operations and use case studies to highlight the specific areas on which our brands focus. This chapter specifically focuses on our progress on diversity and inclusion, health and sustainability and the impact of – and our response to – COVID-19, as well as the other salient issues.



### 5. Human rights in the supply chain

In this chapter, we discuss our progress on the salient issues most relevant to our brands' supply chains and use case studies to share specific examples from across Ahold Delhaize and its brands. Our focus is on the vulnerable groups in supply chains we identified as part of the global due diligence process and on connecting those to each salient issue, including forced and child labor and working conditions.

### 6. Monitoring and reporting on progress

Monitoring and reporting on progress is a critical step in our approach to due diligence. In this chapter, we discuss how we report on human rights in the context of Ahold Delhaize's environmental, social and governance (ESG) performance.

### 7. Access to remedy

An important component of due diligence is to provide access to remedy. We focus on our internal grievance mechanism – our Speak Up Line – and provide an update on how we promote grievance mechanisms in supply chains. We also address human rights defenders.

### 8. Next steps on our Roadmap

In our final chapter, we confirm our priorities, reflect on the last two years of implementing our human rights due diligence process and address some of our challenges. We provide an update on collaborations and partnerships and how we have engaged with stakeholders since 2020. And finally, we share the next steps on our Roadmap on Human Rights.

This report is the starting point for the next phase of our journey on human rights and kicks off the subsequent steps in our Roadmap on Human Rights. If there is anything we have learned from the last two years, it is that Ahold Delhaize and each of its brands are up for the challenge. Throughout this journey, it has been incredibly inspiring and rewarding to speak to so many colleagues and leaders across Ahold Delhaize's great local brands and experience their commitment to human rights. We look forward to seeing where that will take us next.

On a personal note, we would like to thank everyone in our human rights community of colleagues and external stakeholders. It has been a privilege to be part of this journey with you, and we look forward to continuing it, together.

Karin van den Houten-Bogaers  
Director Ethical Engagement & Human Rights



Nathan Prater  
VP Ethics & Compliance





# 1. Ahold Delhaize's Position on Human Rights

**Ahold Delhaize's Position on Human Rights was first published in 2017 and revised in 2020 to coincide with the publication of our first Human Rights Report. Our Position on Human Rights outlines our broad commitment to human rights.**

Since 2020, we reviewed this Position against relevant external benchmarks and, in consultation with key internal stakeholders, identified updates that better reflect our commitment to Human Rights as well as the evolving expectations. The Position references additional international standards that inform our commitment to Human Rights. We have also attempted to more clearly express our commitment by including our approach to due diligence and providing more information about how Ahold Delhaize provides access to remedy. We will address those commitments in more detail in this report.

Our Position on Human Rights is available on our website [here](#).



# 2. Strengthening our governance

## Board-level engagement

**Our commitment to human rights is a natural outgrowth of our longstanding dedication to conducting business ethically. We strive to do what is right, every day.**

Our commitment to human rights is established and supported globally through our Executive Committee and our Supervisory Board and implemented locally by each of our brands. Ahold Delhaize’s Executive Committee directly oversees the implementation of our Roadmap on Human Rights through a quarterly progress report and one or more annual in-person review(s). Within the Executive Committee, Ahold Delhaize’s Chief Legal Officer is accountable for the Roadmap on Human Rights, and several of the salient issues are functionally managed by other Executive Committee members, including Human Resources (HR), represented by the Chief Human Resources Officer, and Health & Sustainability, represented by the Chief Executive Officer (CEO). These board members possess relevant knowledge, skills and competencies for their functional areas in relation to human rights.

In 2021, the Executive Committee’s annual review focused on our progress on the Roadmap and the changing expectations of investors and regulators around human rights. The Executive Committee has reviewed and approved this report and is committed to supporting our work on human rights. They are also directly involved on related issues and initiatives, including – but not limited to – the “Grounded in Goodness” Health & Sustainability strategy, the diversity and inclusion strategic framework and the Principles on the Responsible Use of Data. You can read more about these and other strategies, frameworks and principles throughout this report.

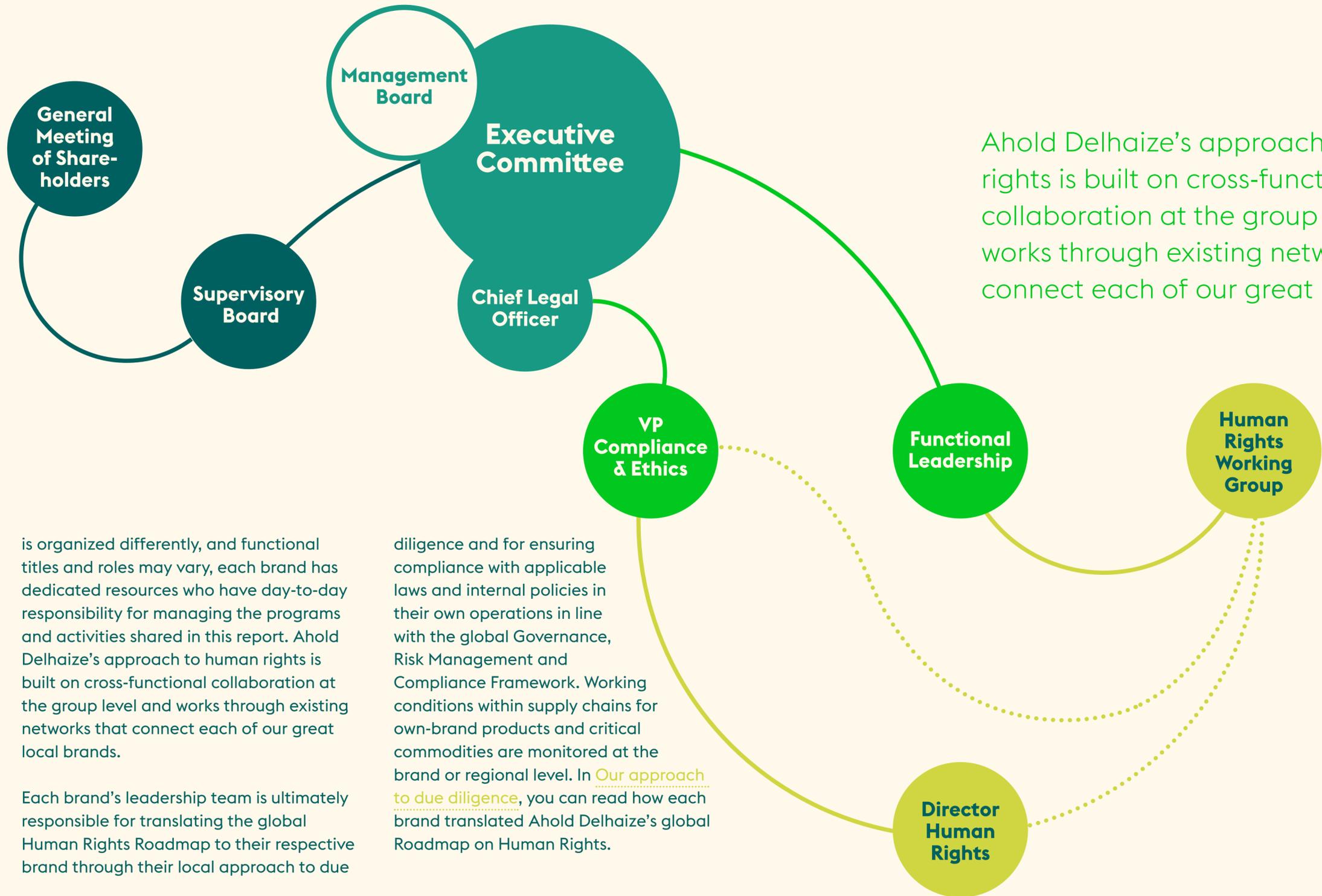
In 2021, Ahold Delhaize introduced its Human Rights Quarterly, which is both an internal newsletter and a Roadmap progress update. The Quarterly includes internal and external news articles relating to human rights and the salient issues as well as updates on the steps forward we’ve taken on the Roadmap. The Quarterly is provided to the Executive Committee and is shared with a broad community of leaders and practitioners to share knowledge and build further awareness and expertise on human rights across Ahold Delhaize and each of its brands.



# Engaging on human rights across Ahold Delhaize

Our global Ethics and Compliance team leads our global engagement on human rights. Within this team, the Director of Ethical Engagement & Human Rights has day-to-day responsibility for leading and supporting our human rights strategies and efforts. Much of this work is coordinated through the Ahold Delhaize Working Group on Human Rights. The Working Group brings together the different functional areas at the group level who are responsible for helping the brands address salient issues in own operations (such as HR, Health & Safety, Legal and Health & Sustainability) and in supply chains (such as Product Integrity, Product Safety and Social Compliance) and those who help to advance the Roadmap (for example, Finance, Public Affairs and Communications). The Director of Ethical Engagement & Human Rights reports to the VP of Global Compliance & Ethics, who is also a Working Group member and reports to the Chief Legal Officer, who is a member of the Executive Committee.

Each member of the Working Group liaises with their counterparts in the brands on a regular basis. Although each of our brands



is organized differently, and functional titles and roles may vary, each brand has dedicated resources who have day-to-day responsibility for managing the programs and activities shared in this report. Ahold Delhaize's approach to human rights is built on cross-functional collaboration at the group level and works through existing networks that connect each of our great local brands.

Each brand's leadership team is ultimately responsible for translating the global Human Rights Roadmap to their respective brand through their local approach to due

diligence and for ensuring compliance with applicable laws and internal policies in their own operations in line with the global Governance, Risk Management and Compliance Framework. Working conditions within supply chains for own-brand products and critical commodities are monitored at the brand or regional level. In [Our approach to due diligence](#), you can read how each brand translated Ahold Delhaize's global Roadmap on Human Rights.

Ahold Delhaize's approach to human rights is built on cross-functional collaboration at the group level and works through existing networks that connect each of our great local brands

# Policy and guidance framework

Ahold Delhaize's Position on Human Rights defines our commitment to respect human rights in our own operations and in our supply chains, and it is built on our Code of Ethics and the Standards of Engagement.

The Ahold Delhaize Code of Ethics lays out principles that help us act with integrity toward customers, communities, suppliers, business partners and each other. Our shared

In 2021, we updated our Code of Ethics by clarifying and simplifying the text and amplifying evolving topics such as human rights and data privacy. You can find the Ahold Delhaize Code of Ethics on our [website](#). We also launched a global intranet page on ethics and human rights and published a video and other resources summarizing our Position on Human Rights.

values – integrity, courage, teamwork, care and humor – and ethical principles provide the framework for the decisions we make and are the foundation of our commitment to conduct our business the right way, every day.

Annual training on our Code of Ethics is provided to all associates at Ahold Delhaize and each of its brands at manager level and above. In addition, the Code of Ethics and our ethical principles are communicated to all associates through our website, local intranet pages, leaflets, posters, videos, local campaigns and in a global Ethics Week that was introduced in 2021. The Code of Ethics provides guidance on when and where to ask for advice or report a compliance or ethics breach. In [Access to remedy](#), you can read more about our Speak Up Line and other grievance mechanisms.

In addition, Ahold Delhaize and each of its brands expect all suppliers to demonstrate a high standard of business ethics and commitment to respect human rights and to provide products that are safe and produced in clean and safe facilities with good working conditions. Our Standards of Engagement define the minimum human rights protections that we expect our suppliers to support and implement. The Standards of Engagement are an integral part of the contractual relationships with these suppliers.





### Code of Ethics

At Ahold Delhaize, our shared values support an ethical culture and are the foundation of our commitment to conduct our business by doing what’s right, every day. Our Code of Ethics supports this commitment by outlining four ethical principles that can be applied in our everyday work.



#### We respect each other

People are our most valuable assets. We are committed to provide a safe, secure and inclusive environment where all associates and customers are respected and appreciated.



#### We follow the law

We comply with applicable laws and regulations everywhere we do business and do not tolerate violations of the law.



#### We act ethically in all our relationships

We act ethically in all our relationships, both within the Company and in our interactions with our customers, communities and suppliers.



#### We have the courage to speak up

We have the courage to speak up when misconduct or ethical violations are observed, or when there are questions regarding the interpretation or application of our Code or other external laws and regulations and internal policies and standards.

### Standards of Engagement

#### Ahold Delhaize and each of its local brands are committed to:

- i.. complying with all applicable laws and regulations in each of the countries in which they operate,
- ii. ensuring that the parties that supply Ahold Delhaize with goods and services do the same,
- iii. validating the origin of goods offered for sale by Ahold Delhaize, and
- iv. maintaining a high standard of business ethics and regard for human rights throughout their supply chain.

The Standards of Engagement set minimum standards for Suppliers that are designed to ensure that Ahold Delhaize has visibility into all aspects of its supply chain and meets these objectives. The Standards of Engagement cover the following subjects:

- Prohibition of discrimination
- Compensation
- Working hours
- Workplace health and safety
- No child labor
- Protect the rights of young workers
- No precarious employment
- No bonded labor
- Environment and safety issues
- Ethical business behavior

Our Code of Ethics supports a strong policy and guidance framework, which is essential to successfully incorporate the UN Guiding Principles on Business and Human Rights across Ahold Delhaize and each of its brands.

Our policy framework helps us set clear and consistent expectations and ensures our business processes and activities are aligned with our ethical commitments. Our positions on key social and environmental topics, as well as our Anti-Corruption and Bribery Policy, can be found on our [website](#).

# 3. Our approach to due diligence

The initial publication of our Position on Human Rights in 2017 introduced our approach to due diligence, which we have continued to develop and execute. Our approach to due diligence leverages the processes and expertise of functions such as HR, Product Integrity, Operations, Health & Sustainability, Safety and Legal. Our approach is consistent with the OECD Due Diligence Guidance for Responsible Business Conduct.

Following our global due diligence process, Ahold Delhaize implemented a methodology in 2021 to help each brand assess the human rights impacts in its own operations and supply chains. Each brand also conducted a supply chain risk assessment that included a review of our salient issues. The outcomes of those assessments are reflected in this report.

In the final chapter of this report, we will share the next steps on human rights and an updated Roadmap that reflects our priorities for the next two years. Due diligence is a continuous process, and we are excited to share our journey with you.



## A From global to local roadmaps

The learnings and conclusions of our global due diligence process that began in 2018 were the basis for the Overview of Salient Issues and the Roadmap on Human Rights published in the [Human Rights Report](#) in 2020.

We recognize that driving positive impact and mitigating negative impact for people in operations, communities and supply chains is most effectively accomplished locally through our brands. That is why we have developed a methodology that helps each brand assess how it impacts associates, customers, communities and people who work throughout its supply chain, while engaging a broad range of internal (and sometimes external) stakeholders across functions and roles.

The methodology includes a series of interactive workshops conducted by each brand<sup>1</sup> followed by

a validation workshop with local leadership teams. Brands then identified next steps that are captured in a local Roadmap on Human Rights. Albert Heijn and Ahold Delhaize USA developed their own approach to due diligence. Albert Heijn had already implemented a due diligence process, and Ahold Delhaize USA has engaged Business for Social Responsibility (BSR) to develop a due diligence process specific to its business. You can read more about their respective approaches in the case studies on this page.

The process of translating our global human rights commitments to local Roadmaps has confirmed several priorities that are consistent across each of Ahold Delhaize's brands. Diversity and inclusion and the Ahold Delhaize Compensation Principles are effective tools to address the priority salient issues<sup>2</sup> of women's rights, discrimination and harassment and compensation. Associate well-being is a critical part of our focus on health and safety, especially in the context of the pandemic. You can read more about our work on these salient issues in the [Human rights in our own operations](#) section.

We recognize that the impact of forced labor and child labor often falls on the most vulnerable and defenseless. Consequently, the risks related to these issues within our supply chains are consistently prioritized across our brands. There is also a shared concern about the vulnerability of migrant workers in global supply chains, and, in the case of Ahold Delhaize and its brands, specifically in agriculture. You can read more about our work on these salient issues in the [Human rights in the supply chain](#).



## Albert Heijn's Human Rights Due Diligence Report

In Albert Heijn's inaugural Human Rights Due Diligence Report, published earlier this year, the brand communicated transparently about the developments and results of its human rights due diligence activities. This [report](#) is available on the Albert Heijn website (in Dutch). Albert Heijn's due diligence work has focused on product value chains from higher-risk countries where the protection of human rights and the environment cannot be assumed. The report includes outcomes of product-specific Human Rights Impact Assessments (HRIA) commissioned by Albert Heijn, including a HRIA of wine from South Africa conducted by ICCO. The [assessment](#) (in English) is available on the brand's website.

## Mensenrechten due diligence rapport 2021



Case study



## Ahold Delhaize USA engages BSR to conduct human rights impact assessment

Ahold Delhaize USA is currently working with BSR to identify and assess adverse human rights impacts through an HRIA of key commodities relevant to the U.S. market. This work is focused on reviewing the saliency assessment previously conducted by Ahold Delhaize and develop a commodity prioritization framework for the U.S. brands. The outcome of this process will include a prioritized risk map, recommendations to address commodity-level human rights issues, and a human rights governance model that supports more proactive identification and mitigation of human rights risks as they emerge.

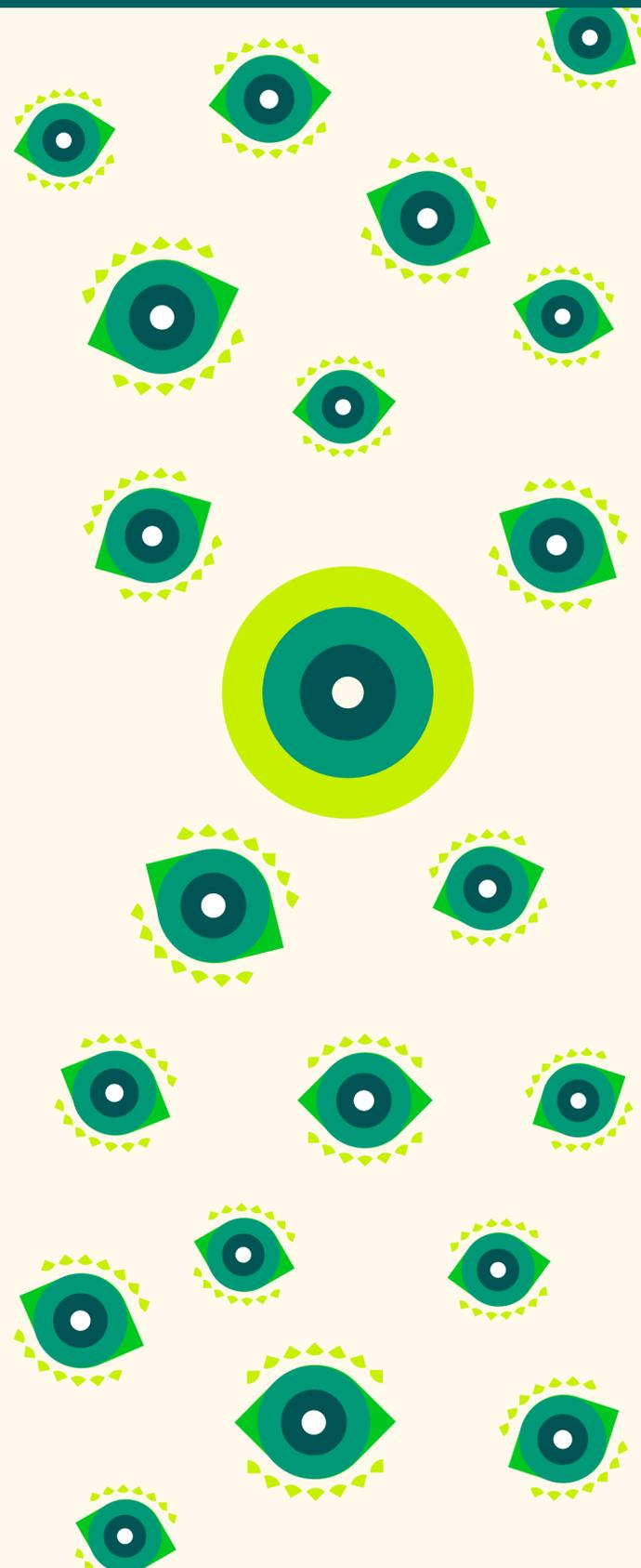
Case study

## B In focus Identifying vulnerable groups

Ahold Delhaize's global due diligence process, which was guided by external experts from Enact and Human Rights@Work, identified potentially affected stakeholders and vulnerable groups for each of the salient issues. Potentially affected stakeholders identified through this process include associates, customers and communities, and the people who work throughout supply chains.



In the case of women's rights, children's rights and child labor, the vulnerable groups are captured in the wording of the salient issue itself. In this report, where relevant, we will make the connection more specific between particular vulnerable groups and the other salient issues. You can read more in [Vulnerable groups in supply chains](#).



## C Identifying and mitigating risks

Ahold Delhaize's Enterprise Risk Management (ERM) assessment is designed to identify, assess and take action on general risks and opportunities in line with our strategic, operational, financial and regulatory business objectives. The risks identified through the ERM process include risks and topics related to human rights. You can read more about how Ahold Delhaize identifies and manages risk in our [Annual Report 2021](#).

### Sustainability risk assessment in the supply chain

Ahold Delhaize introduced an updated Sustainability Risk Assessment (SRA) for supply chains in 2020. The SRA is based on the Organisation for Economic Co-operation Development (OECD)-Food and Agricultural Organization (FAO) Guidance for Responsible Agricultural Supply Chains, which encourages enterprises with large numbers of suppliers to identify general areas where the risk of adverse impacts is most significant, and, based on this risk assessment, prioritize supply chains for deep dives. Each of our European brands and Ahold Delhaize USA (on behalf of the U.S. brands) have conducted risk assessments to assess product categories and the raw materials used in own-brand products against both environmental and social risks. In addition, each brand or region conducts deep dives on prioritized supply chains. The social risks are based on our salient issues and combine information about the country of origin and the product category with publicly available sources of information based on likelihood and severity of risk. Each brand or region then determines the extent to which the risk is mitigated, the magnitude of the residual

risk and available leverage to (further) mitigate the risk. The outcomes of this risk assessment process are included in the due diligence process.

Each of our European brands and Ahold Delhaize USA on behalf of the US brands have conducted risk assessments

## D Social compliance

Our Standards of Engagement require that suppliers observe all applicable laws and regulations of their countries of operation and observe and conform to the *amfori*<sup>3</sup> BSCI Code of Conduct. Our brands require either *amfori* Business Social Compliance Initiative (BSCI) audit reports or audit reports or certificates that are equivalent to *amfori* BSCI from all production locations in high-risk countries that supply own-brand products. In 2021, 73% of those locations were audited against an acceptable standard. Our brands have committed to audit 100% of the own-brand production locations in high-risk countries by 2025.

Ahold Delhaize brands focus their social compliance programs on their own-brand suppliers because that is where they have most leverage. They also work closely with national-brand suppliers on human rights and social compliance programs. One example of this collaboration is the Consumer Goods Forum's Sustainable Supply Chain Initiative to mutually recognize auditing, monitoring

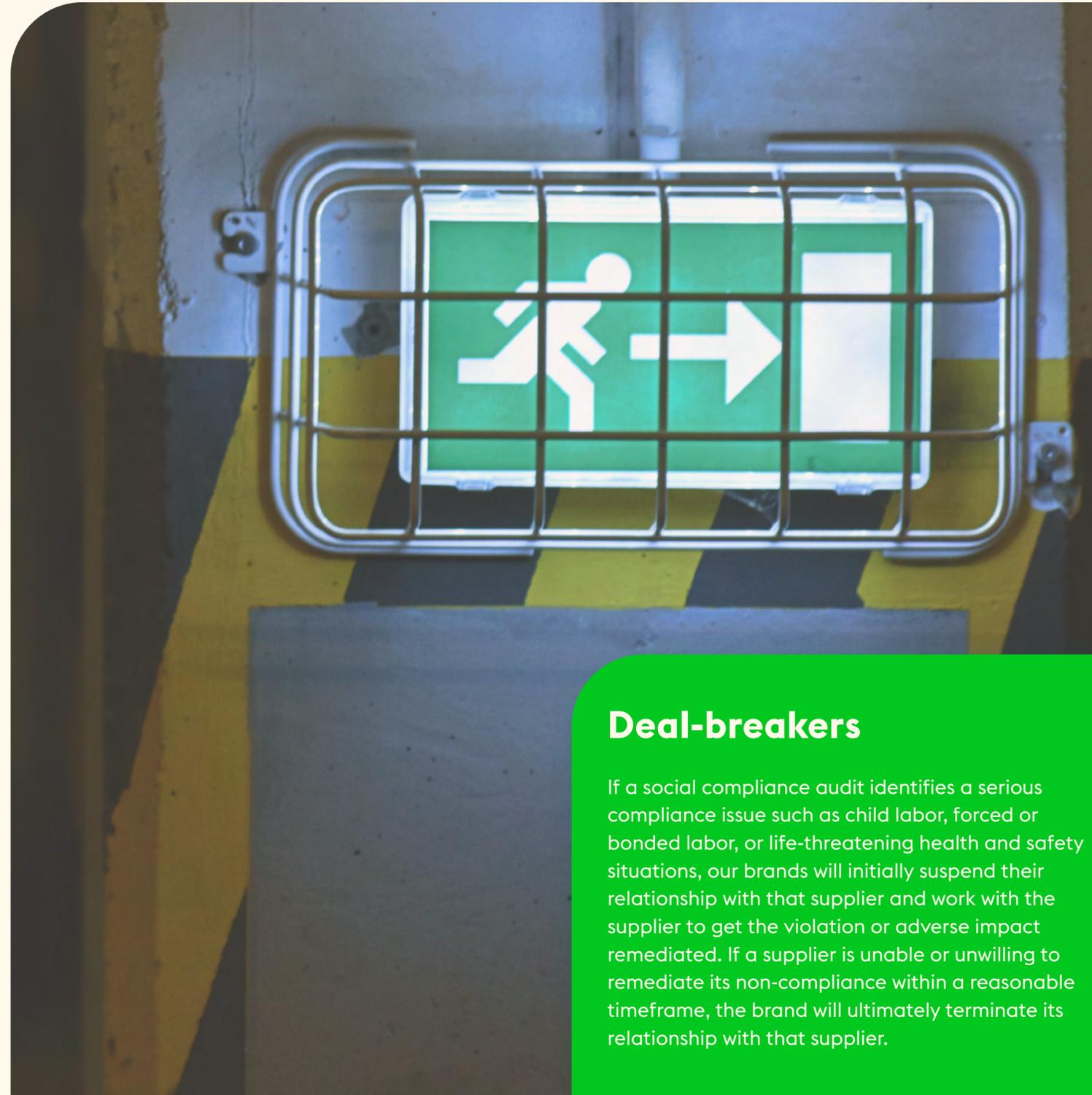
3. See [www.amfori.org](http://www.amfori.org)

and certification programs through comprehensive benchmarking.

Ahold Delhaize's social compliance program targets the "last stage of production." For social compliance, that means that we look beyond the first-tier suppliers and focus our requirements on the stage that involves labor to produce or process the final product. For unprocessed fruit and vegetables, the last stage of production is at the farm and packing station levels. The last stage of production excludes (re-)packing in a non-high-risk country.

Because we recognize that improving labor standards in the supply chain is a responsibility we share with our suppliers, and because our brands have resources and expertise that may not be available to smaller suppliers, our brands work with selected suppliers to support them in improving their processes and working conditions. Examples include Albert Heijn's collaboration with suppliers in the Albert Heijn Foundation and programs established by Alfa Beta, Delhaize Serbia, Mega Image and Super Indo to help their local suppliers meet our global requirements.

Social audits are an important tool to monitor working conditions in complex, global supply chains. The *amfori* BSCI approach focuses on improving working conditions in supply chains through continuous improvement. Each audit report comes with a Corrective Action Plan (CAP) that addresses any non-compliances, which is then followed by a progress report. Through the implementation of these CAPs, working conditions should continuously improve. However, we recognize the limitations of social audits. We work closely and



actively with standard-setting organizations and other stakeholders to address the credibility and effectiveness of social audits and find ways to improve working conditions and address adverse human rights impacts throughout the supply chain.

You can read more about these efforts in [Collaborations and partnerships](#). In addition, as part of the next phase of our Roadmap on Human Rights, Ahold Delhaize will continue to explore and develop additional mitigating actions to address our salient issues. You can read specific examples of how some of our brands already take such actions throughout this report.

## Deal-breakers

If a social compliance audit identifies a serious compliance issue such as child labor, forced or bonded labor, or life-threatening health and safety situations, our brands will initially suspend their relationship with that supplier and work with the supplier to get the violation or adverse impact remediated. If a supplier is unable or unwilling to remediate its non-compliance within a reasonable timeframe, the brand will ultimately terminate its relationship with that supplier.

In practice, most of the deal-breaker cases involve occupational health and safety situations. In its Human Rights Due Diligence Report Albert Heijn reported that it identified deal-breakers at seven suppliers (13) in 2020. In six of those cases, the suppliers remediated the violation immediately. In one case, the supplier was not able or willing to implement the appropriate remediation for the emergency exits in the building. Consequently, Albert Heijn terminated the relationship.

# E Commodity certification

Ahold Delhaize brands do not own or operate farms, but our brands have many long-standing partnerships with farmers and local producers. In addition, raw materials for own-brand products are sourced from and processed by selected partners to ensure the highest quality.

Ahold Delhaize has global targets in place to ensure that seven raw materials – or “critical commodities” as we call them – for our own-brand products are 100% certified by 2025: coffee, tea, cocoa, palm oil, soy, wood fiber and seafood. An overview of the guidelines and standards for these commodities is available on Ahold Delhaize’s [website](#). The commodities that we have identified as critical are linked to major environmental and social issues such as deforestation, child labor, forced labor, illegal fishing and overfishing.

The certifications we work with include Fairtrade, Rainforest Alliance, the Roundtable for Sustainable Palm Oil (RSPO) and others, all of which are committed to continuous improvement in those supply chains.



Case study

## Super Indo’s certified cooking oil

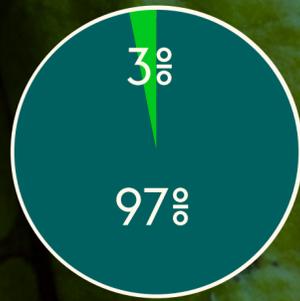
In August 2021, Super Indo launched a new ecolabel product, 365 Palm Cooking Oil, as an example of the brand’s commitment to providing safe and sustainable products.

Super Indo’s 365 Palm Cooking Oil has ISPO and RSPO sustainability certifications, which provide assurance that no new primary forest or other valuable conservation areas are sacrificed for oil palm plantations and that the basic rights and living conditions of plantation workers, smallholders and indigenous peoples are fully respected. This certification is one way that Super Indo is addressing social and environmental impacts in its supply chain.

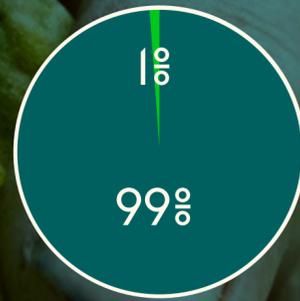


# Certification of critical commodities in 2021

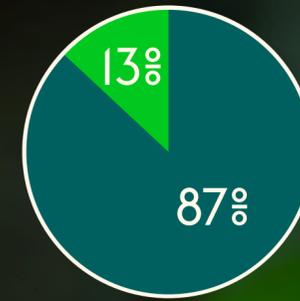
Certified<sup>4</sup> own-brand coffee products



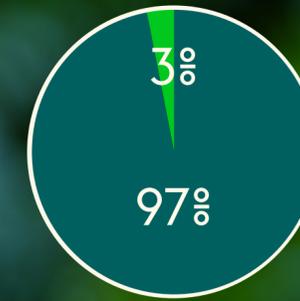
Certified<sup>4</sup> own-brand products containing tea



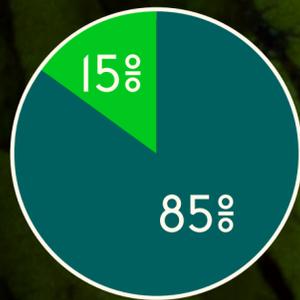
Certified<sup>4</sup> own-brand products containing cocoa



Certified<sup>4</sup> own-brand seafood product sales



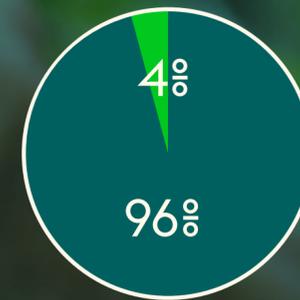
Certified<sup>5</sup> palm oil volume in own brand products



Certified<sup>4</sup> soy volume in the supply chain of own brand products



Certified<sup>8</sup> own-brand wood fiber products



○ Percentage of own-brand products certified  
 ● Percentage of own-brand products not certified

4. Certified against an acceptable standard (see [Glossary](#) for details); 5. Certified against an acceptable standard (Mass Balance or Segregated supply chain option). 15% of palm oil volume in own brand products was offset by purchase of RSPO Book & Claim; 6. Certified using soy credits that are purchased through the RTRS; 7. High priority (South American) direct and embedded (tier 1, 2 and 3) soy volumes; 8. Certified against an acceptable standard or low risk or recycled.

More information on these commodities can be found on [Ahold Delhaize's website](#).

# 4. Human rights in our own operations

## Our salient issues



## **A** In focus Diversity and inclusion

We believe that food retailers play a significant role in society and have an opportunity to set the right example when it comes to how we treat people. Each Ahold Delhaize brand is committed to foster the growth of its people. Our diversity and inclusion vision is to build brands and businesses where associates reflect the markets they serve, their voices are heard and valued, they find purpose in their work, have equitable access to opportunities and can contribute and grow to their fullest. We want every associate to thrive and to feel a sense of belonging and community. This sense of belonging and community should extend to the customers.

In 2020, we established a bold aspiration for diversity and inclusion across Ahold Delhaize and its brands. We aspire to achieve 100% gender balance at all levels, to be 100% reflective of the markets we serve (as defined by each local brand), and to strive for 100% inclusion.

<p>Workforce <b>100%</b> <b>Gender-balanced</b></p> <p>A workforce that is 50/50 gender-balanced at all levels</p>	<p>Workforce <b>100%</b> <b>Reflective of our markets</b></p> <p>A workforce that is 100% reflective of the markets we serve</p>	<p>Workplace <b>100%</b> <b>Inclusive</b></p> <p>A workplace that is 100% inclusive. Where all voices are heard</p>
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Marketplace Business Growth

To support our leaders in bringing this aspiration to life, Ahold Delhaize has developed a comprehensive diversity and inclusion strategic framework that consists of three pillars: workforce, workplace, and marketplace. You can read more about our diversity and inclusion strategic framework in our [Annual Report 2021](#).

**i Women's rights**  
**Ahold Delhaize and each of its brands recognize and support the rights of women to be treated fairly and equally to men.**

We are proud that, across Ahold Delhaize and the brands, women make up 53% of the workforce. However, we recognize there is still room for improvement, particularly at senior levels. Ahold Delhaize and its brands increased the proportion of women in management positions from 39% in 2020 to 40% in 2021.



53%  
WOMEN

WORKFLOOR BALANCE

47%  
MEN



We recognize that women, on the whole, continue to face more challenges than men in our society. Research shows that women often have more unpaid care responsibilities, a situation that became even more apparent during the pandemic, and labor market studies indicate that their wages are often lower than those of men<sup>9</sup>.

There are several focus areas within our diversity and inclusion strategic framework that are aimed at promoting equality in our practices and preventing discrimination in hiring, training and promotion (see also [In focus: Diversity and inclusion](#)). For example, Ahold Delhaize and its brands have committed to hiring from diverse slates of candidates and have implemented a policy requiring 50/50 diverse candidate and succession slates for all roles at the level of Director and above. Another example relates to pay equity. You can read more about that focus area in [Compensation](#).

Case study

## Alfa Beta awarded the SHARE Equality Label

In 2021, Alfa Beta was one of eighteen companies awarded the first ever SHARE Equality Label<sup>10</sup>, which recognizes the practical promotion of practices and initiatives within companies aimed at gender equality. The award is the result of a two-year effort to promote the balance of work and family life in business and a better distribution of care responsibilities between men and women.

The project criteria focused on four opportunities for equality in line with the European Equality Strategy:

- **Equal treatment** (i.e. recruitment, training and remuneration)
- **Equality in decision making** (i.e. balanced participation in managerial positions, professional development, and promotion)
- **Reconciliation of professional and private life for women and men** (i.e. flexible hours, parental leave and paternity leave)
- **Corporate culture / broader business policy** (i.e. culture of the company's culture, promotion and advertising)

Case study

## Mega Image's "Mega for All" campaign

"Mega for All" was launched in 2021 with two strategic initiatives aimed at eliminating bias. Since it began, Mega Image has gathered more than 1100 participants at these events and has created video materials and over 60 dedicated communications.

Through this program, Mega Image aims to create a sense of togetherness for its community and build a mindset where everyone is accepted, comfortable, valued and can fully express their potential and create an inclusive workplace to fit diverse needs. Another objective is to include inclusive leadership in managerial development programs and build new capabilities for leaders.



AT MEGA IMAGE, WE LABEL PRODUCTS, NOT PEOPLE.



Read more on our Intranet Platform, Mega Community: Comunitatea Noastră / Diversitate și Incluziune

### ii Discrimination and harassment

Ahold Delhaize and each of its brands recognize and support the right of their associates to a workplace free from harassment and discrimination.

Ahold Delhaize's Code of Ethics and Position on Human Rights include clear commitments and expectations on equal employment opportunities and respect in the workplace. Ahold Delhaize and each of its brands seek to create a culture of mutual trust that values the inherent diversity among associates and their communities. We value diversity of thought, and we define diversity broadly as all the ways in which individuals are unique, inclusive of thoughts and skills, generational differences, gender, race and ethnicity, disabilities, sexual orientation, nationalities and more, and we accept all people for who they are and their ability to make positive contributions to the business. You can read more about our bold aspiration on diversity and inclusion in *In focus: Diversity and inclusion*.

Our brands comply with applicable laws and company policies relating to equal opportunity and non-discrimination and respect the rights of all associates, including the right to a workplace free from harassment and discrimination. Our brands do not tolerate conduct by any associate or any other person that creates an intimidating, offensive or hostile work environment. This includes harassment based upon a person's legally protected status. As part of our global due diligence process, Ahold Delhaize recognized that women, including during pregnancy, members of the LGBTQ+ community, ethnic and religious minorities and migrant workers are more vulnerable to discrimination and harassment.

Ahold Delhaize and its brands have several programs that support a culture where all associates are respected. We measure this culture through our associate engagement survey, in which associates are asked if they believe that they work in a safe and inclusive environment (2021: 89% favorable, 8% neutral), where concerns can be raised (2021: 82% favorable, 11% neutral) and where associates are treated with respect (2021: 86% favorable, 9% neutral).

We recognize, however, that some misconduct can and does occur despite such policies. That is why we have used the recent public revelations of

Case study



## Corporate Equality Index



Each of our U.S. brands (Food Lion, Giant Food, Hannaford, Peapod Digital Labs, Retail Business Services, Stop & Shop and The GIANT Company) has been independently recognized as a Best Place to Work for LGBTQ+ Equality. These brands' unique policies, practices and benefits offerings, supportive of LGBTQ+ associates, earned perfect scores on the Human Rights Campaign Foundation's 2022 Corporate Equality Index, a benchmarking survey and report measuring corporate policies and practices related to LGBTQ+ workplace equality.

The Corporate Equality Index rates companies on detailed criteria falling under four central pillars:

1. Non-discrimination policies across business entities
2. Equitable benefits for LGBTQ+ workers and their families
3. Supporting an inclusive culture
4. Corporate social responsibility

The full report is available online at [www.hrc.org/cei](http://www.hrc.org/cei).

sexual harassment in entertainment and sports in the Netherlands to reinforce the message among associates that such behavior is never appropriate, should always be reported, and is never tolerated. This message has been repeated by Ahold Delhaize's senior leaders and it has been addressed in communications across Ahold Delhaize and its brands.

Ahold Delhaize and its brands provide reporting options for associates, including the Speak Up lines. Approximately 8% of the reports received in 2021 related to sexual harassment allegations. All of these reports were investigated by the responsible HR teams and corrective action was taken as appropriate. You can read more about the Speak Up Line in [Access to remedy](#).

**iii Compensation**

**Ahold Delhaize and each of its brands recognize and support the right of every individual to receive equitable compensation for their work.**

We believe that the total value proposition for an associate is more than just the wages and benefits they receive. It includes other factors such as working

conditions and the diversity and inclusiveness of the workforce, all of which are important to associates' appreciation of their overall working experience and are measured through the associate engagement survey.

Ahold Delhaize and each of its brands have adopted the following six overarching principles to guide compensation:

1. A solid base for comparing roles
2. Market-based compensation
3. Compensation in compliance with the law
4. Equal pay for equal work
5. Compensation aligned with individual performance and brand business strategy
6. Compensation that is transparent, consistent and explainable for the individual associate

Our brands and businesses consider these principles of fundamental "procedural justice" in establishing their compensation practices and in resolving disputes. The majority of associates in our brands are covered by collective labor agreements (CLAs). For associates outside of the CLAs, each brand has adopted an independent job evaluation methodology (Korn Ferry Hay) and has created policies and frameworks for

determining job levels and titles, pay grades and bands, performance evaluation and wage increases. Achieving pay equity is an important mission for each brand and supports our diversity and inclusion aspirations. While creating policies, frameworks and governance processes is a critically important step, it is equally important to measure the outcome of these practices to reach pay equity within each of our brands and businesses. To this end, each brand has implemented a methodology to analyze pay equity within its workforce. At the end of 2021, the majority of Ahold Delhaize brands had conducted (or were in the process of conducting) gender pay studies and/or equal pay analyses and created action plans to remediate any gaps that were identified. In total, 14 of our brands performed a gender pay-equity study, covering 286,000 associates.

The brands will continue to perform pay equity analyses in 2022. They will also review differences in average pay between men and women in order to identify additional focus areas and we will communicate further on a gender pay difference in our Annual Report 2022. You can read more about pay equity in our [Annual Report 2021](#).

Ahold Delhaize and its brands provide reporting options for associates, including the Speak Up lines

# B In focus Grounded in Goodness

Ahold Delhaize believes that what is healthy and sustainable should be accessible and available to all. Our “Grounded in Goodness” strategy focuses on healthier people and a healthier planet. Grounded in Goodness, officially launched in 2021, is based on the idea that health and climate are intrinsically linked. We believe that if we get it right for ourselves, we usually also get it right for the planet. Acting responsibly today is imperative to securing a better tomorrow for generations to come.

**We make healthy and sustainable choices easy for everyone**



Our approach ensures the decisions we make are grounded in doing the right thing for people and planet. We collaborate closely with our partners and our brands to empower customers to join this journey with us.

Our ambition is that our brands’ marketing, reward programs and store designs ensure that what’s healthy and sustainable is affordable, accessible and inclusive for all. Teams across the brands innovate to make products healthier, more interesting and more varied. When possible, our brands source locally, helping farmers get a fair deal and working with suppliers to improve the food supply chain. Through it all, we are transparent in highlighting our progress and making better choices clear.

All of this helps us to make healthy and sustainable choices into easy choices, for everyone.

You can read more about our Grounded in Goodness strategy in the [Annual Report 2021](#).

## **i Affordable healthy food** Ahold Delhaize and each of its brands recognize and support the right of every individual to feed themselves appropriately with food that is available and accessible, in sufficient quantities and of nutritional quality.

Ahold Delhaize’s commitment to healthier people begins with empowering customers and associates and working to develop healthier and more sustainable product assortments. Our brands are making healthy and sustainable choices easier for customers and associates by providing relevant information and rewarding people for making better choices. They offer affordable nutritious product choices that make

healthier eating easier and more appealing, including for vulnerable groups such as low-income communities and children. Our brands continue to drive transparency about nutritional value through the Nutri-Score system in Europe and Guiding Stars in the U.S. They continue to reformulate a healthier and more sustainable average shopping basket with less sugar, salt and fats with the goal of developing and offering own-brand products that are kinder to both people and planet.

In 2021, Ahold Delhaize was among the first signatories to the [EU Code of Conduct for Responsible Food Business and Marketing Practices](#), and pledged ten commitments in the areas of healthier choices, product transparency, eliminating waste and climate impact. The purpose of the Code is to unite on a common path towards a sustainable food system and marks an important first step within the Farm to Fork Strategy, which is consistent with Ahold Delhaize’s healthy and sustainable ambitions.

Ahold Delhaize is an active member of the Consumer Goods Forum (CGF) and its [Collaboration for Healthier Lives](#) (CHL) Initiative, of which Ahold Delhaize’s CEO is co-sponsor. The CHL is a global movement led by manufacturers and retailers to drive collaborative action to make it easier for consumers to adopt healthier lifestyles for themselves and their families. Recognizing the parallels between ensuring healthy, nutritious food for consumers around the world while preserving the environment, the CHL Coalition is committed to finding ways to work collaboratively with CGF members and key stakeholders to protect people and the planet. CHL members are working together to empower consumers to adopt healthier and more sustainable diets.



## **Delhaize Serbia’s “Plate by Plate” platform**

Launched in 2021, Plate by Plate was the first digital platform for food donations in Serbia ([www.tanjirpotanjir.rs](http://www.tanjirpotanjir.rs)). Thanks to the cooperation between Delhaize Serbia and the United Nations Development Program, the food donation process in Serbia is easier than ever, allowing more people to benefit.

To date, approximately 1,000 tons of fruit and vegetables have been donated through this platform and more than 5,000 tons of fruit and vegetables have been donated in cooperation with Food Bank Belgrade over the last six years. Through the Plate by Plate platform, charity organizations have direct access to information about food availability. The digital platform makes the entire process traceable, transparent, and secure.

Case study

## Healthier grocery choices while spending less money at The GIANT Company

The GIANT Company's brand platform, For Today's Table, represents its belief that the world is a better place when families come together at the table. Through a marketing campaign in early 2022, The GIANT Company focused its efforts to create healthier families by ensuring families not only connect over a meal but can affordably and conveniently have a balanced assortment of food on their tables.

One of the ways The GIANT Company made healthier groceries more affordable was by giving team members and customers the chance to earn double CHOICE Points on all Guiding Stars-rated items during the campaign, which can be redeemed for savings on purchases or surprise deals.



Case study

## Food Lion Feeds

In parts of Food Lion's 10-state footprint, as many as one in six people, including one in five children, are living in households without reliable access to food. With the help of associates and customers, Food Lion Feeds donated 152 million meals in 2021 that directly benefit neighbors living in the towns and cities Food Lion serves. Food Lion Feeds has helped provide more than 903 million meals to individuals and families since 2014 and has committed to providing 1.5 billion meals by 2025.

### ii Children's rights

Ahold Delhaize and each of its brands recognize and support the right of every child to protection and care.

Ahold Delhaize and each of its brands aim to make healthier eating commonplace. By making fresh, nutritious and delicious food available and affordable for everyone, including children, we contribute to healthier communities.

Ahold Delhaize participates in the NBIM-UNICEF network initiative on nutrition and children's rights in the food retail sector. The Network, established by Norges Bank Investment Management (NBIM) and the United Nations Children's Fund (UNICEF), serves as a platform for dialogue among food retailers and public health experts to share innovative practices and explore solutions to improve global food systems for children.

In 2021, Ahold Delhaize was scored as a Leader in addressing children's rights in [The State of Children's Rights and Business 2021](#), a global benchmark launched by Global Child Forum in collaboration with Boston Consulting Group. Ahold Delhaize and its brands scored particularly high on Workplace and Community & Environment.



Case study

## Stop & Shop teams up with Boston Red Sox to strike out school hunger

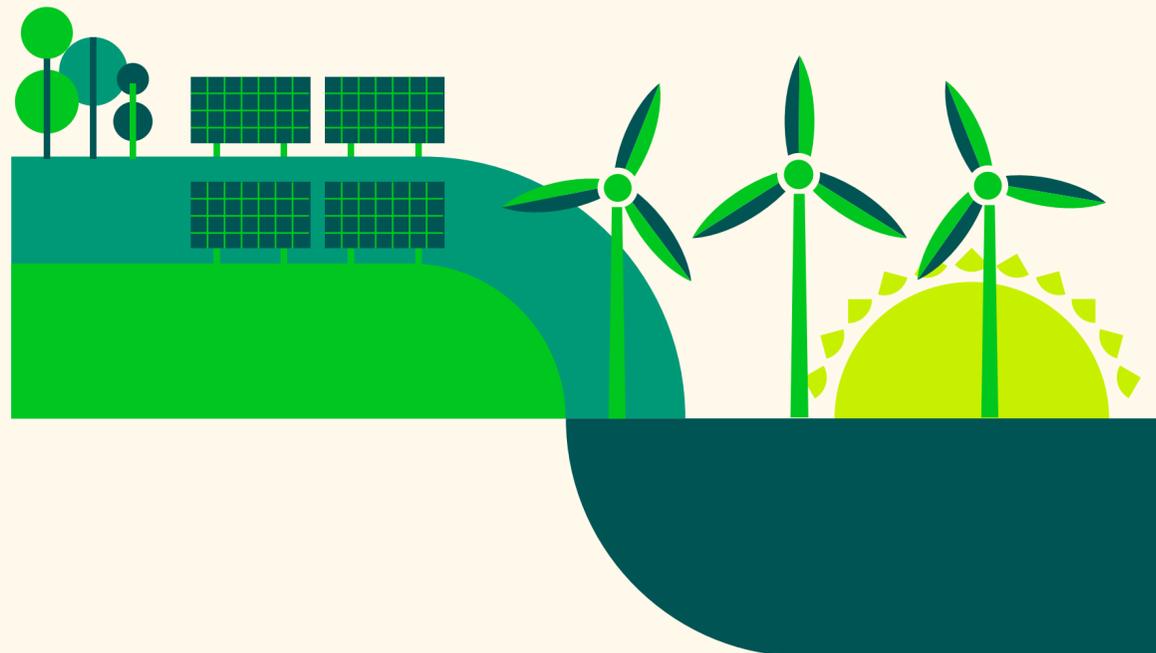
Stop & Shop has teamed up with the Boston Red Sox – an American professional baseball team – in a multi-year campaign to battle childhood hunger across schools enrolled in the Stop & Shop School Food Pantry Program. Together through the Strike Out School Hunger program, Stop & Shop and the Red Sox will donate 10 million meals to support the Stop & Shop School Food Pantry Program. The School Food Pantry program was created in 2019 to support the more than 20% of American children that live in a food insecure home. Since then, the program has grown to over 100 schools and counting.



Case study

## bol.com's bollebozen

Not all children in the Netherlands and Belgium have the means to buy new notebooks and pens to start a new school year. On average, one in 12 children in the Netherlands and Belgium grow up in poverty. To support these students, the bol.com bright sparks (bollebozen) program, together with the Dutch foundation Kinderen van de Voedselbank and the Belgian Federation of Food Banks, donated 4,000 bol.com gift cards with a value of €25 within each country – 8,000 in total – that can be used for free school supplies for children in need. The bol.com bright sparks program is a network of colleagues, partners and organizations that contribute to the creation of equal opportunities for children in the Netherlands and Belgium, investing in the employees and entrepreneurs of the future.



### iii Healthier planet

In 2021, the UN Human Rights Council recognized access to a safe, clean, healthy and sustainable environment as a fundamental right, formally adding its weight to the fight against climate change and its consequences. The resolution, first discussed in the 1990s, is not legally binding but has the potential to shape global standards. At Ahold Delhaize, we recognize the global threat to the health of the planet, people's lives and livelihoods.

In November 2021, as part of our Grounded in Goodness strategy, Ahold Delhaize and its brands announced the commitment to reach net-zero carbon emissions across own operations by 2040 (scope 1 and 2) and achieve net-zero emissions across the entire supply chain, products and services no later than 2050 (scope 3). Ahold Delhaize also joined the Business Ambition for 1.5°C, a global coalition of UN agencies and business and industry leaders, in partnership with the Science Based Targets initiative and the UN-led Race to Zero campaign.

You can read more about Ahold Delhaize's comprehensive climate strategy and climate-related disclosures in the [Annual Report 2021](#), as well as in a recently published [Climate Update](#).

Case study



## Delhaize Belgium's Good Cook Program

GoodPlanet Belgium strives to realize a sustainable society by inspiring all generations to create a planet that allows everyone to live well. Through this program, Delhaize aims to teach children to enjoy food that is good for them and for the planet. GoodPlanet Belgium and Delhaize launched the GoodCook program in 2017, with the goal to reach 40,000 children and their families by 2022. The program recognizes that if you develop good habits at a young age, you will carry them along for life.



## **C** In focus COVID-19 impact and response

Since 2020, COVID-19 has continued to have a significant impact on our lives. Ahold Delhaize’s approach to the pandemic was driven by our commitment to maintain a stable food supply chain, provide a safe shopping and working environment for customers and associates and support our communities.

Despite the challenges we faced, our brands were able to provide customers with healthy and affordable food options, operating in compliance with rapidly changing local regulations and managing global supply chain disruptions. Our efforts kept us well positioned to address changing circumstances, and associates in our brands worked to keep local stores open, deliveries running and shelves well stocked, allowing the brands to fulfill their critical role in society.

Since the start, each brand’s pandemic response has been based on six principles: safely meeting customer needs, protecting associate well-being, supporting communities, safeguarding supply chains, building on a strong omnichannel offering,

and maintaining financial stability.

You can read more about the impact of – and our response to – the COVID-19 pandemic in our [Annual Report 2021](#).



**i Health, safety and well-being**  
**Ahold Delhaize and each of its brands recognize and support the right of their associates to work in a healthy and safe workplace.**

Our brands have continued to prioritize keeping associates safe and healthy, a focus that not only includes workplace safety (which was the original focus of this salient issue), but also overall physical and mental health and wellness as well. As the pandemic continued in 2021 and 2022, our brands maintained and reinforced the tools and measures they put in place in 2020 to keep associates healthy and increased their focus on supporting mental health.

Cross-functional safety committees have been working effectively to ensure the safety of associates and other stakeholders. The intent of these committees is to drive open communication and education about operational risks, mitigation efforts and assessing strategies to reduce serious injuries.

One particular focus area for Ahold Delhaize and its brands is Serious Injury and Fatality incidents. These injury events, which are either life ending or life altering, have a significant impact on associates, their families and their workplaces. Our brands have programs in place to identify and reduce serious injury and fatality risks and have developed a comprehensive risk register for dangerous tasks, such as working at heights. In addition, brand safety leads regularly share knowledge and learn from each other. Experience has shown that a group of organizations sharing experience, data and expertise is a cost-efficient way to quickly build capability and knowledge to help reduce or remediate risk.

The overall workplace injury rate across all the brands increased slightly in 2021 (+2.15% v. 2020). We also saw a small increase (+3.78%) in the overall workplace absence rate related to work injuries. The rate of serious work injuries stayed the same despite increased business and challenging work situations related to the pandemic.

This second pandemic year continued to be a challenging time for people in all the brands' markets as they confronted constant change and the need to find ways to live and work safely – while experiencing fear, grief and loss. Ahold Delhaize and each of its brands have continued to focus on associate mental health and providing help and resources where needed.



## Virtual reality training

A great success story in 2021 was a pilot offering virtual reality training to help associates in the U.S. brands and an Albert Heijn distribution center gain insight about serious risks in a safe but realistic way before they start working. The virtual reality pilot focused on the use of powered industrial trucks, such as electric pallet jacks, the most frequent cause of serious injuries to associates at the brands.

How can virtual reality help associates work safer? The pilot included six different scenarios that exposed associates to a digital warehouse environment and specific risks that face the new operator, including collisions, speed and distraction. The training is helping reduce risks and ensure a safer workplace, and will be expanded in the future.

Case study



## Hannaford's Care to Stomp Out Stigma campaign

In 2021, Hannaford launched its Care to Stomp Out Stigma campaign. The program provides resources for management and associates to support and increase mental health wellness and raise awareness of resources available to Hannaford associates. The brand created a store manager toolkit with materials to encourage associates to visit a newly launched intranet site for access to mental well-being resources, including virtual trainings, a video message from the brand president, nutrition tips and recipes, and a link to wellness challenges.

Case study

## Albert's Help Line

Since the beginning of the pandemic, the Albert Help Line has been supporting the mental health of associates. Initially, professionally trained staff answered and addressed questions about COVID-19-related issues. Over time, the questions shifted to other topics, such as mental health or relationships. Since the start of the conflict in Ukraine, the Help Line extended its services to colleagues who come from or have family in Ukraine and is assisting them in their native language with questions about topics such as accommodation, visas and health insurance.

Case study

## D Other salient issues

### i Freedom of association

**Ahold Delhaize and each of its brands recognize and support the right of their associates to form or join trade unions if they choose, and have their legal rights to collective bargaining respected.**

In 2021, over half (55%) of our brands' more than 413,000 associates were covered by collective bargaining agreements. Ahold Delhaize and each of its brands value associate participation and feedback, whether it comes through direct communication with associates, such as direct interaction with management, through the associate engagement survey, or through their union representatives.

Our brands with collective bargaining agreements respect their long-standing relationships with the unions that represent their associates and work with the unions to forge the most effective solutions for their associates, customers and their businesses. In addition, some of those unions cooperate with the brands in important partnerships to improve working conditions in supply chains. You can read more about those partnerships in [Human Rights in the Supply Chain](#).

Ahold Delhaize and each of its brands prohibit any form of intimidation, harassment, retaliation or violence against associates seeking to exercise the legal right to form and join a trade union of their choice.

### ii Privacy

**Ahold Delhaize and each of its brands recognize and support the right of every individual to be protected against arbitrary, unreasonable or unlawful interference with their privacy, family, home or correspondence.**

Customers, associates and business partners entrust our businesses with their personal data and we are committed to protecting this information. Our Global Personal Data Protection Policy defines the actions we take to safeguard privacy.

As retailers operating in an increasingly digital world, data is becoming more and more critical to our business. We leverage data and technology capabilities to support our customer proposition and create value for our customers and our businesses – but it's essential we do this in an ethical and responsible way.

In 2020, Ahold Delhaize's Executive Committee identified five Principles for the Responsible Use of Data. The Principles were developed with input from a diverse group of internal stakeholders across Ahold Delhaize's functions, brands and geographies. They provide a framework to guide and align the brands in making decisions about how we collect, use and share data. We are committed to using the Principles to guide our choices and behavior:

1. We believe that any use of data and technology should be consistent with our values, our promises and our ethical principles. We believe that integrity and care – along with our commitment to be a better neighbor, a better place to shop and a better place to work – should guide our actions.
2. We are transparent about how we use data and leverage technology, including how we collect, store, retain and process data. Our privacy notices are clear and accessible to the average consumer or associate.
3. We strive to create and use algorithms and data analysis tools that are free from prejudice.
4. When conducting our business, we will hold our vendor partners and business associates to the same level of care and ethical responsibility to which we are committed.
5. We will apply modern safeguards to protect, anonymize and erase data in a timely way, to minimize the risk that data will be used inappropriately.

## The Consumer Data Give and Take

In 2020, Ahold Delhaize Europe & Indonesia and Deloitte Global published a [report](#) titled "The Consumer Data Give and Take," which sets out the findings from an online consumer survey across 15 countries and 15,000 respondents into European attitudes on the use of consumer data by organizations and grocery retailers. The objective was to stimulate a wide-ranging discussion around data ethics, the responsibilities of companies and their responses to the regulation of personal data in line with consumer expectations. This discussion will be critical in shaping both regulations and consumer expectations.

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Case study



The consumer data give and take  
A study by Deloitte and Ahold Delhaize into European attitudes on the use of consumer data by grocers

For 2020, the customer complaints and requests that Ahold Delhaize received from authorities can be categorized as follows:

- Customer complaints about access and erasure requests: 9
- Customer complaints related to cookie consents on websites: 1
- Other customer complaints: 10
- Complaints from regulatory bodies: 0
- Requests for information and inquiries from regulatory bodies (no complaints and no fines or other penalties levied): 5

# 5. Human rights in the supply chain

Case study

## Our salient issues



## A In focus Vulnerable groups in supply chains

As part of Ahold Delhaize's global due diligence process, we identified people in our brands' supply chains as an important group of potentially affected stakeholders. We also linked salient issues to specific vulnerable groups, both in our own operations and in supply chains. There are three vulnerable groups that particularly stand out in our brands' supply chains: i) children, ii) women, and iii) migrant workers. We will address those and other vulnerable groups in connection to the relevant salient issues in this chapter.

Ahold Delhaize and its brands focus their base-line social compliance programs on suppliers in high-risk countries

### Human rights issues in the Italian processed tomato supply chain

In response to multiple publications in the media on human rights issues in the Italian processed tomato supply chain, CBL (the Dutch association of retailers, which includes Albert Heijn), and FNV, the Dutch federal labor union commissioned a Human Rights Impact Assessment (HRIA). The HRIA was supported by the Dutch Ministry of Foreign Affairs and the FNLI, the Dutch association for food manufacturers. The [report](#) is available (in English) on the CBL website. The CBL members, including Albert Heijn, published an [action plan](#) (in Dutch) that addresses the outcomes of the Human Rights Impact Assessment.

because that is where the most serious abuses, including forced and child labor, occur when governments fail to protect workers' rights and when workers lack other basic protections.

We recognize that migrant workers are vulnerable throughout supply chains, particularly in agriculture and fisheries. In the case studies included in this chapter, we share examples of initiatives to investigate allegations of human rights abuses in non-high-risk countries and address adverse impacts in both non-high-risk and high-risk countries.

Case study

## Hannaford's dairy supply chain



Hannaford has been, and continues to be, engaged in a thorough due diligence review across its dairy supply chain. This important work is a collaboration with its private label milk suppliers that engages industry partners, including the National Milk Producers Federation and the Innovation Center for U.S. Dairy. Those organizations jointly provide guidance and support for U.S. dairy farms under the Farmers Assuring Responsible Management (FARM) assessment tool on the topics of animal care, environmental impact and worker development.

Hannaford's private label milk suppliers completed FARM Workforce Development assessments on farms across Hannaford's entire geography. Hannaford is committed to ongoing, robust and transparent assessments of farms within their dairy supply chain and so, in 2022, those FARM assessments will be validated through independent, third-party social compliance audits with a focus on those farms with the highest number of workers. We received a related report through our Speak Up Line in May 2022 which we are investigating.

Ahold Delhaize is a signatory of the Consumer Goods Forum's Forced Labor Resolution

### **i** Forced labor Ahold Delhaize and each of its brands recognize and support the right of every individual to be free from forced labor, slavery and servitude.

Our commitment to human rights prohibits all forms of forced, bonded or trafficked labor. You can read more about our response to cases of forced labor, or deal-breakers, in [Our approach to due diligence](#). Ahold Delhaize is a signatory of the Consumer Goods Forum's Forced Labor Resolution, which includes three Priority Industry Principles for Responsible Recruitment:

- Every worker should have freedom of movement
- No worker should pay for a job (Employer Pays Principle)
- No worker should be indebted or coerced to work

In addition, our Standards of Engagement require that suppliers act with special diligence when engaging and recruiting migrant workers both directly and indirectly. You can read more in the section on [Vulnerable groups in supply chains](#).

All social compliance and commodity programs and standards that we work with apply similar requirements when it comes to forced, bonded and trafficked labor, including requirements that reflect CGF's Priority Industry Principles. The Sustainable Supply Chain Initiative established clear

benchmark criteria on forced and bonded labor, including requirements for the use of recruitment agencies and the Employer Pays Principle. Those requirements are also reflected in *amfori* BSCI's 2021 Code of Conduct. Ahold Delhaize continues to work in partnership with those organizations to ensure the implementation of the Priority Industry Principles and monitor and eliminate forced, bonded and trafficked labor.



**Case study**

## FISH Standard for Crew

Ahold Delhaize contributed to the [FISH Standard for Crew](#), published in April 2021 as the first certification standard to track and mitigate social issues on vessels, including concerns about forced labor in fisheries. The program was created through engagement with the full seafood supply chain – from large and small fishing companies to processors, retailers and restaurant groups – and with input from civil society. Ahold Delhaize is also a member of the Seafood Task Force and a signatory to the Global Tuna Alliance’s 2025 Pledge towards Sustainable Tuna, both of which address human rights, including forced labor and human trafficking.



Photo ©FISH

### ii Child labor

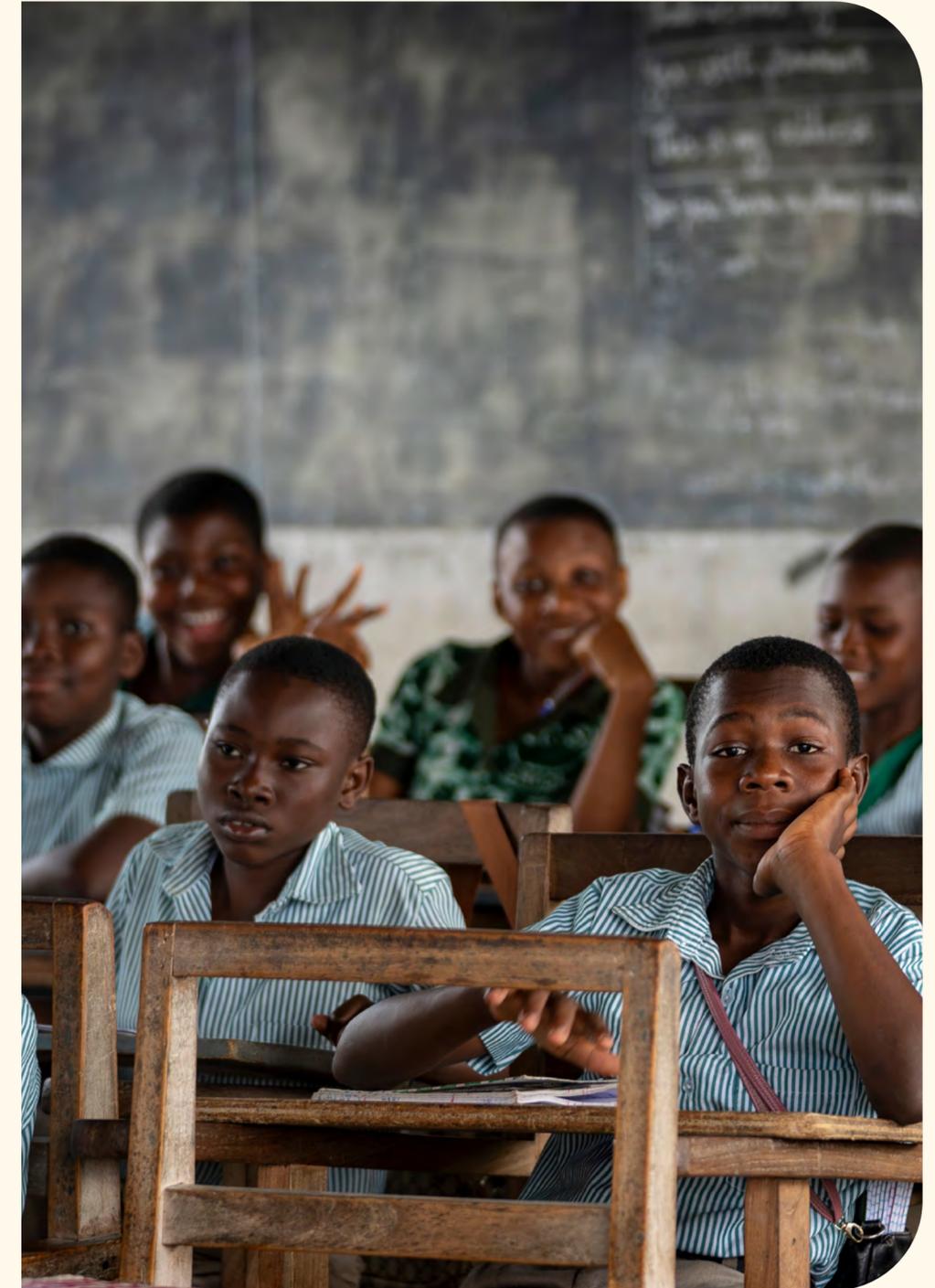
**Ahold Delhaize and each of its brands recognize and support the right of every child to be free from work that deprives them of their childhood, their potential and their dignity, or that is harmful to their physical and/or mental development.**

Ahold Delhaize and its brands prohibit all forms of child labor. You can read more about our response to cases of child labor, or deal-breakers, in [Our approach to due diligence](#). Our requirements are outlined in the Standards of Engagement:

Suppliers shall not employ, directly or indirectly, children below the minimum age of completion of compulsory schooling as defined by law, which shall not be less than 15 years, unless the exceptions recognized by the International Labor Organization apply. Any forms of exploitation of children are forbidden, as are working conditions resembling slavery or that is harmful to children’s health. We also expect suppliers to establish robust age-verification mechanisms as part of the recruitment process. These mechanisms may not be in any way degrading or disrespectful to the worker, and the rights of young workers (under 18) must be protected.

All the programs and standards that we work with – from *amfori* BSCI to Rainforest Alliance – apply similar requirements to child labor and young workers, and clear benchmark criteria on child labor are established by the Sustainable Supply Chain Initiative. We continue to work in partnership with those organizations and others to eradicate, and, where found, remediate child labor. If a child is found working in violation of these standards, their best interests are protected through effective remediation. You can read more about our approach to remediation in the case studies and in [Access to remedy](#).

We continue to strive to have 100% of our own-brand coffee, tea, cocoa, palm oil and soy certified against an acceptable standard, which includes stringent requirements on child labor in line with international standards. The certification systems that our brands use for cocoa, coffee and tea focus on improving yields, increasing farmer incomes, and decreasing environmental and social risks, such as deforestation and child labor.





Case study

## Albert Heijn extends partnership with Tony Chocolonely

In 2022, Albert Heijn and Tony's Chocolonely announced the extension of their Open Chain collaboration by another five years to drive further impact on smallholder cocoa farms in West Africa. In 2019, Albert Heijn was the first company that joined [Tony's Open Chain initiative](#) to extend Tony's way of working and source their cocoa in a sustainable and fair way.

Companies that join the Open Chain initiative source their cocoa in line with Tony's five collaboration principles. That means, among other things, that the cocoa beans are fully traceable to known farmers and partner cooperatives in Ghana and Ivory Coast. Cocoa farmers receive a higher price for a longer period of time to help them increase their productivity and enable them to earn a living income in line with Tony's Living Income Model. In addition, all households of participating cocoa farmers are connected to a Child Labor Monitoring Remediation System, which actively detects and remediates illegal child labor. With this partnership, Albert Heijn goes beyond certification to set the right example and demonstrate how it takes responsibility for its supply chain and pays a fair price to cocoa farmers.

Case study

## Beyond Chocolate at Delhaize Belgium

By ensuring the private label chocolate they sell in Belgium is certified, Delhaize Belgium – along with ALDI Belgium, Colruyt Group and Lidl Belgium and Luxemburg – have achieved the individual commitment they made when signing the [Beyond Chocolate](#) partnership. However, the work is not over yet. Beyond Chocolate will now determine, together with the retailers, how it can further contribute to the partnership's 2025 and 2030 targets to achieve an IDH-recognized living income for smallholder cocoa farmers, which includes the implicit goal of ending child labor and extending schooling, and to end further deforestation.



Case study



## Sustainability Initiative Fruit and Vegetables (SIFAV)

Albert Heijn, Delhaize Belgium and their common supplier Bakker Barendrecht are participants in the SIFAV, which is coordinated by IDH, the Sustainable Trade Initiative. Since its foundation in 2012, SIFAV has grown into a pan-European initiative with more than 30 partners, including retailers, brands, traders, civil society organizations and other supporting parties. Under SIFAV, all private sector partners committed to take a first step by analyzing living wage and living income gaps against an IDH-recognized Living Wage Benchmark in one of their supply chains and, if possible, making a commitment to reduce these gaps by 2025.

## B Salient issues

### i Compensation

**Ahold Delhaize and each of its brands recognize and support the right of every worker to receive equitable compensation for their work.**

We require suppliers to pay workers at least the minimum wage reflecting time worked and in compliance with all applicable legal requirements, as outlined in our Standards of Engagement. In addition, the Standards of Engagement specify that illegal deductions or deductions for disciplinary purposes from wages for time worked are forbidden.

We expect our suppliers to provide equal pay for equal work for all genders and categories, including women, migrant workers, minorities and other vulnerable groups. Suppliers shall also ensure that wages and benefits are detailed transparently and regularly for workers.

At Ahold Delhaize, we recognize that workers in supply chains can experience poverty even when local legal minimum standards are complied with. We also recognize that poverty is a root cause of many social and environmental issues, from child labor to deforestation. You can read more about initiatives to address some of these challenges and how some of Ahold Delhaize’s brands are involved in the case study in this section and the section on [Child labor](#).

### ii Women’s rights

**Ahold Delhaize and each of its brands recognize and support the right of women to be treated fairly and equally to men.**

At Ahold Delhaize, we recognize that women in supply chains may be more vulnerable and have specific needs that differ from those of men, for example when it comes to sanitary conditions and protection during pregnancy and nursing. Women are more often subjected to discrimination and inequality which frequently coincides with other forms

of discrimination, including on the basis of ethnicity, sexual orientation and social status. They often have more unpaid care responsibilities, and they may lack access to education or training and are therefore less likely to be considered for better paying jobs. Generally, women’s wages are lower than those of men.

Our Standards of Engagement prohibit discrimination in hiring, remuneration, access to training, promotion or retirement based on gender, and forbid any physical, sexual, psychological or verbal harassment. Gender inequality is not always sufficiently addressed in social standards and certifications, but progress is being made. In its 2021 Code of Conduct, *amfori* BSCI references the Gender Dimensions of the UN Guiding Principles on Business and Human Rights. Rainforest Alliance promotes gender equality for all of its Certificate Holders, and the promotion of gender equality and women’s empowerment is an integral part of its 2020 Sustainable Agriculture Standard. Ahold Delhaize will continue to work in partnership with these and other organizations to support women’s rights in supply chains.



Case study

## Women's Empowerment Principles (WEP) activator

Ahold Delhaize is a signatory of the Women's Empowerment Principles. In 2021, Ahold Delhaize completed a 10-month capacity-building program led by *amfori* and UN Women (WEP's activator) that brought together a group of companies to exchange knowledge and insights on gender-responsive policies and practices. This program sought to implement the Women's Empowerment Principles, learning from UN Women and *amfori* experts and sharing with other global organizations.



### iii Discrimination and harassment

Ahold Delhaize and each of its brands recognize and support the right of every worker to a workplace free from harassment and discrimination.

In line with our commitments and expectations on equal employment opportunities and respect in the workplace in our own operations, Ahold Delhaize's Standards of Engagement prohibit discrimination in hiring, remuneration, access to training, promotion, termination or retirement based on gender, age, religion, race, caste, social background, disability, ethnic and national origin, nationality, membership in workers' organizations including unions, political affiliation, sexual orientation, or any other personal characteristic protected by law. No worker shall be subjected to any physical, sexual, psychological or verbal harassment.

The elimination of discrimination and harassment is an integral part of all social compliance and commodity programs and standards. In Ahold Delhaize's global human rights due diligence process, we identified women, pregnant women, migrant workers and ethnic and religious minorities as more vulnerable to discrimination and harassment. We address these concerns in this report in the sections [Women's rights](#) and [Vulnerable groups in supply chains](#), as well as through the programs and standards we implement in our supply chains.

Case study

## Supplier diversity

In 2021, Giant Food began helping customers identify products from minority-owned businesses through updated shelf labels. All Giant stores featured the shelf labels, informing shoppers of products offered by businesses that are women, Black, Asian-Indian, Hispanic, LGBT, Asian-Pacific, or veteran owned. Over 3,100 products in Giant stores featured the updated shelf labels, owned by more than 200 minority businesses in Giant's network of vendor partnerships.

In 2022, Peapod Digital Labs (PDL) is giving certified, diverse-owned businesses the opportunity to showcase their products and services to the Ahold Delhaize USA brands through a series of curated virtual events. Teaming up with Efficient Collaborative Retail Marketing RangeMe, PDL will host four virtual events throughout the year during which merchants from the Ahold Delhaize USA brands will meet with potential new suppliers who are certified minority-, LGBTQ+-, woman-, veteran- and disability-owned businesses.

**iv Freedom of association**

**Ahold Delhaize and each of its brands recognize and support the right of workers in the supply chain to form or join trade unions if they choose and have their legal rights to collective bargaining respected.**

We work with *amfori* BSCI and other social compliance and commodity programs and standards to ensure that the rights of workers to form and join trade unions of their choice and their legal rights to bargain collectively are respected by our suppliers. We prohibit any form of intimidation,

harassment, retaliation or violence against workers seeking to exercise the legal right to form and join a trade union of their choice.

Our brands have worked together with international and local trade unions as key civil society representatives in several collaborations and partnerships on human rights in supply chains. One example is the Human Rights Impact Assessment on the Italian processed tomato industry (discussed earlier in this chapter). You can read more about such collaborations and partnerships throughout this report.

**v Working conditions**

**Ahold Delhaize and each of its brands recognize and support the right of every worker to just and favorable conditions of work, including the right to rest, and to have legal limits on working hours and excessive overtime respected.**

As part of our Standards of Engagement, suppliers must observe all applicable laws and regulations of their country of operation and observe and conform to the *amfori* BSCI Code of Conduct. We expect suppliers to treat their employees fairly and with dignity, and suppliers must observe requirements on the following: i) freedom of association and the legal right to collective bargaining, ii) prohibition of discrimination, iii) compensation, iv) working hours, v) workplace health and safety, vi) no child labor, vii) protection of the rights of young workers, viii) no precarious employment, and ix) no forced, bonded or trafficked labor.

Ahold Delhaize and its brands work with *amfori* BSCI and other social compliance and commodity programs and standards to improve working conditions in supply chains. You can read more about our approach to social compliance in [Our approach to due diligence](#).

## Albert Heijn Foundation and Azura

Case study

In the winter months, Albert Heijn sources cherry and snack tomatoes from Morocco. For the past 15 years, Albert Heijn has worked with Azura, a company that maintains a high standard for sustainability, quality and food safety. The collaboration between Azura, its employees and the Albert Heijn Foundation started with the search for a source of water under the dry, rocky soils of a village in the Tiznit province. When it was found, a 175-meter well was drilled. Plumbers repaired the existing water system and connected the water tower to allow freshly filtered water to flow to 600 households and the village school. You can read more about the background of the Albert Heijn Foundation in this [detailed overview](#).

**vi Water and sanitation**

**Ahold Delhaize and each of its brands recognize and support the right of every individual to an adequate standard of living, including access to safe, sufficient, acceptable and affordable water for personal and domestic uses, including in the workplace.**

There is increasing pressure on the availability of potable water, also in areas of agricultural production, which affects local and indigenous communities and small farmers. As part of the Sustainability Risk Assessment, each brand assesses the social and environmental impacts in their supply chains. One of those impacts is water.

Ahold Delhaize works with various organizations, including GlobalGAP and

SAI-Platform, on the implementation of sustainable agriculture. GlobalGAP's certification standard and SAI Platform's Farm Sustainability Assessment include requirements on hygiene, health and safety, worker welfare and water management, each of which address water and sanitation. Both the perspective of water availability for agricultural production and a potential pressure on water quantity and quality for human needs are taken into account.

All of the standards and certification programs we work with for our commodity supply chains include requirements relating to water and sanitation. The Rainforest Alliance standard, which is widely used by our brands, emphasizes adverse effects on water quality and availability by agriculture production activities.





## Other issues

### **i** Land rights

Although Ahold Delhaize's global due diligence process did not identify land rights as one of the salient human rights issues, we recognize that indigenous peoples, local communities and women are often dependent on the use of, or access to, their land or natural resources for their livelihoods. Land rights are essential in tackling environmental and climate-related issues, including deforestation, the protection of carbon reservoirs and natural resource management. Ahold Delhaize and each of its brands are committed to respecting those rights and do not tolerate land grabbing.

Our requirement that suppliers observe all applicable laws and regulations of their country of operation includes laws and regulations relating to land rights. We expect our suppliers to respect community land rights and free, prior and informed consent (FPIC) of local communities. Certifications we leverage, including the RSPO and the Forest Stewardship Council, also include land rights requirements.

### **ii** Smallholder farms and small producers

Ahold Delhaize and its brands strive to be inclusive of all farms and producers in their supply chains, regardless of their size or scale of production, including small producers and smallholder farms. You can read more about supplier diversity and how Albert Heijn and Delhaize Belgium work with smallholder cocoa farms to increase their resilience and prosperity in the case studies in this chapter. Ahold Delhaize supports credible group audit approaches, which enable smallholder farms to meet our social requirements and participate in global supply chains. In addition, Ahold Delhaize participates in multi-stakeholder initiatives that address issues concerning small-scale farmers, including the Sustainable Rice Platform, the RSPO and the Round Table for Responsible Soy.



# 6. Monitoring and reporting on progress

In our previous Human Rights Report, we committed to report publicly and transparently on our human rights commitments, and we have done so in our Annual Report, communications with external stakeholders and relevant benchmarks, and in this 2022 report to demonstrate progress on our Roadmap.

In this chapter, we share Ahold Delhaize’s approach to environmental, social and governance (ESG) performance generally, and some of the key metrics shared in Ahold Delhaize’s [Annual Report 2021](#). We will continue to report on these metrics on an annual basis in the Annual Report as part of our ESG reporting.

## A In focus ESG performance

ESG performance is an important part of how we measure success at Ahold Delhaize. We have a long history of reporting on these activities, and we are pleased to see our stakeholders’ increasing interest in this topic.

Ahold Delhaize’s ESG ambitions and strategy are shaped by our most significant environmental, social and governance topics, the UN Sustainable Development Goals, market knowledge from our local brands and relevant ESG benchmarks. In addition, we consider trends in our markets and around the world, feedback from our stakeholders, and alignment with global initiatives such as the Global Reporting Initiative and Sustainability Accounting Standards Board. We also look at future developments, for example, the EU Taxonomy and the proposed European Directive on Corporate Sustainability Due Diligence, and how these could potentially impact Ahold Delhaize.

The ESG materiality assessment evaluates our environmental and social trends to identify ESG topics. Ahold Delhaize mainly focuses on those ESG topics that stand out as being most likely to bring about the materialization of principal risks, now or in the future. Our Enterprise Risk Management (ERM) assessment is designed to identify, assess and take action on risks and opportunities in line with our strategic, operational, financial and regulatory business objectives. The most significant “principal” risks identified are considered to present a material financial risk.

The diagram on this page shows the principal risks and the material ESG topics. There is a clear link to human rights generally, as well as some of

the salient issues specifically. The UN Guiding Principles focus on saliency rather than on the materiality of a business’s issues, which – in practice – means to identify the risks for people, and not for the company. That is why we use the term “salient issues” in this report. You can read more about our overview of salient issues in our [2020 Human Rights Report](#).



## B Key human rights data from the Annual Report 2021

Associate engagement score



Percentage of healthy own-brand food sales of total own-brand food sales<sup>11</sup>

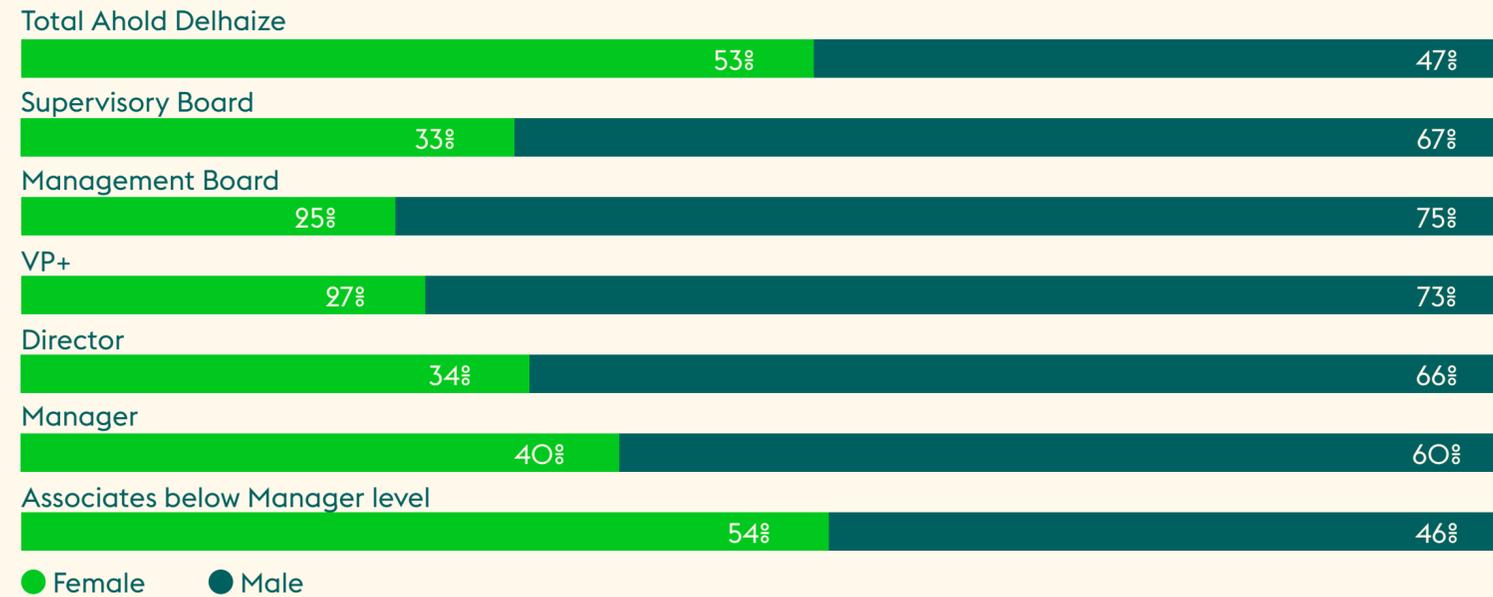


Workplace injury absenteeism rate

Number of injuries that result in lost days per 100 full-time equivalents



Gender balance 2021



### Diversity

At Ahold Delhaize and our great local brands, we believe that, as retailers playing a significant role in society, we have a responsibility to lead by example. We are working hard on our 100/100/100 aspiration to truly engage with associates and represent the brands and businesses in local communities.

Performance indicator description <sup>12</sup>	2021	2020
Number of associates (thousands)	413	414
% of female associates	53%	54%
% of female Executive Committee members	17%	25%
% of female Supervisory Board members	33%	40%
% of male associates	47%	46%
% of full-time associates	35%	35%
% of part-time associates	65%	65%
% Greatest Generation (1900–1945)	–	1%
% Baby Boomers (1946–1964)	13%	14%
% Generation X (1965–1979)	21%	21%
% Generation Y (Millennials) (1980–1995)	24%	25%
% Generation Z (1996+)	41%	40%
% associates covered by collective bargaining	55%	53%
Associate turnover	62%	–

Percentage of own-brand last stages of production in high-risk countries audited on social compliance



- Percentage of own-brand last stages of production in high-risk countries audited on social compliance
- Percentage of own-brand last stages of production in high-risk countries not audited on social compliance

Percentage of production sites of own-brand food products that are GFSI-certified or comply with an acceptable level of assurance standard



- % of production sites of own-brand food products that are Global Food Safety Initiative (GFSI)-certified or comply with an acceptable level of assurance standard
- % of production sites of own-brand food products that are not certified

More information on these and other metrics can be found in Ahold Delhaize's [Annual Report 2021](#).

# 7. Access to remedy

Remediation and access to remedy are important aspects of an effective human rights due diligence process and we commit to addressing allegations that human rights are not being properly respected. Ahold Delhaize and each of its brands are committed to remedying adverse human rights impacts we cause or contribute to in good faith through legitimate processes, and we expect our suppliers to do the same.

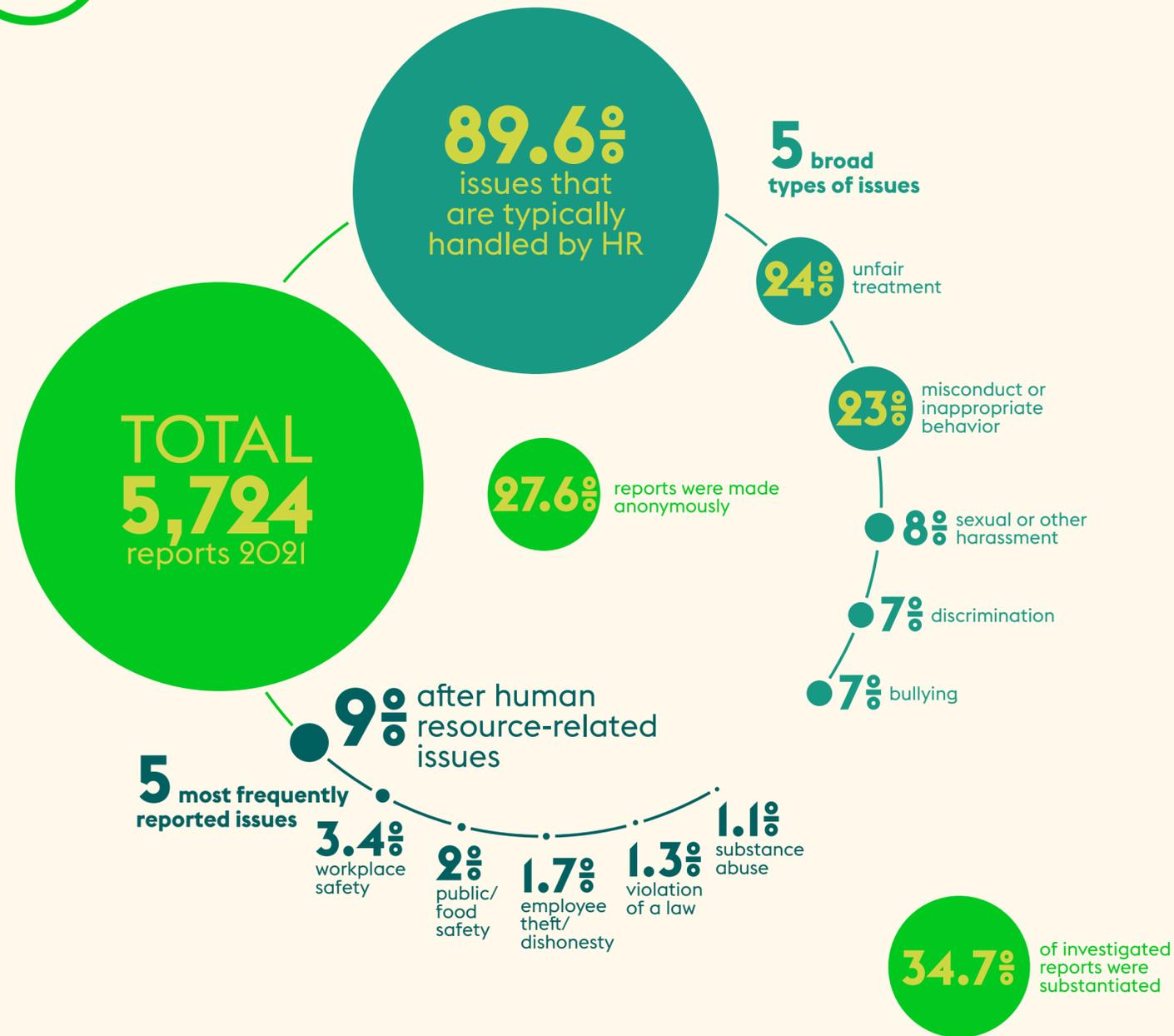
## **A** Speak Up line

One of the Principles in our Code of Ethics is that we have the courage to Speak Up. Our local ethics helplines – also called our Speak Up lines – enable each of our brand's associates, third parties within and connected to our supply chains and the public to raise concerns about improper behavior or possible violations of law or policy, including our Position on Human Rights.

The Speak Up Line is free and accessible online and by phone, 24 hours per day, seven days per week, in the local languages of the countries in which we operate. It is communicated to all associates on our website, our brands' intranets, on posters throughout our offices, distribution centers and stores and in our annual Code of Ethics training and communications. The Speak Up Line is a confidential and secure service hosted by a third party, NAVEX. Whenever a concern is raised, the reported information will be kept confidential to the maximum extent possible consistent with the need to take appropriate corrective action. There is also an option to remain anonymous throughout the process. If someone chooses to raise a concern, all information regarding that person's identity will be handled confidentially. You can find more information about the process, including a response timeline, and the detailed Speak Up Policy on [www.aholddelhaize.ethicspoint.com](http://www.aholddelhaize.ethicspoint.com).



### Speak Up lines received reports 2021

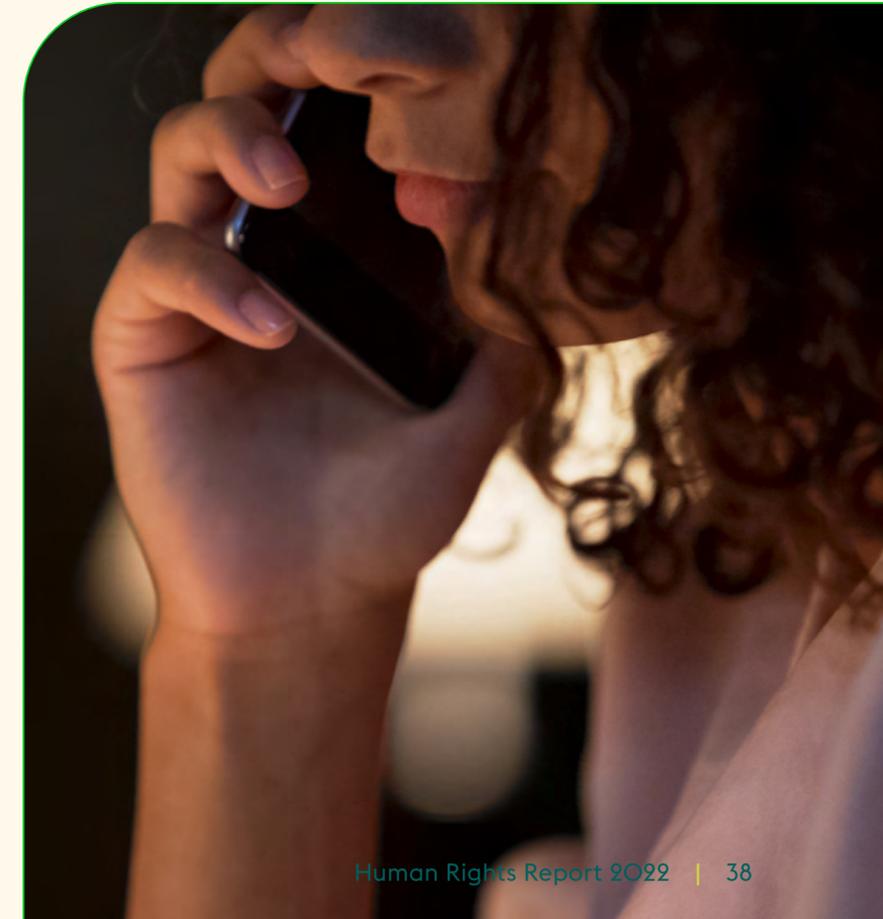


In 2021, our Speak Up lines received 5,724 reports (2020: 6,994), over 89.6% of which were related to issues that are typically handled by HR. These issues consist primarily of five broad types of issues: unfair treatment (24%), misconduct or inappropriate behavior (23%), sexual or other harassment (8%), discrimination (7%) and bullying (7%). None of these involved members of our senior management. After human resource-related issues, the five most frequently reported issues were workplace safety (3.4%), public/food safety (2.0%), employee theft/dishonesty (1.7%), violation of a law (1.3%), and substance abuse (1.1%). All reports are forwarded to the appropriate internal resource for review and prompt response or investigation.

Approximately 27.6% (2020: 41.2%) of the reports were made anonymously in 2021. On average, reports were investigated and resolved within 18 days. Approximately 34.7% of investigated reports were substantiated. In 2021, there were no substantiated reports of significant financial reporting, accounting, fraud or ethical violations.

Ahold Delhaize and all of its brands strongly encourage raising concerns about improper behavior or possible violations of law or policy. We will not retaliate or allow retaliation against anyone who, in good faith, reports a potential violation. Any form of direct or indirect retaliation is strictly prohibited. All reports of violations of law or policy will be investigated, and where there has been a violation, appropriate corrective action will be taken and remedy provided. We do not require affected individuals or communities to waive their legal rights to bring a claim through a judicial or non-judicial process as a condition of participating in the grievance process.

Ahold Delhaize and its brands review the reports from the Speak Up lines on a quarterly basis and discuss and incorporate learnings to improve the system and to ensure that processes are in place to address and prevent the reported issues. In addition, Ahold Delhaize and its brands conduct an annual Ethical Culture Survey among associates. The survey includes questions about the accessibility, potential barriers, implementation, performance and outcomes of the Speak Up lines. Ahold Delhaize also conducted a survey in 2022 of a sample of users of the system and works with NAVEX to continuously improve the system.





## **B** Supply chain grievance mechanisms

Ahold Delhaize's Speak Up lines are also accessible to third parties within and connected to our supply chains and the general public, but we recognize that it is more difficult for those working in our supply chains to find and access these resources.

That is why we also expect suppliers to establish adequate complaint mechanisms and to ensure no retaliation. Those expectations are outlined in our Standards of Engagement. We also work with industry organizations and standard's committees, including *amfori* BSCI and others, to promote the provision of effective grievance mechanisms by our suppliers.

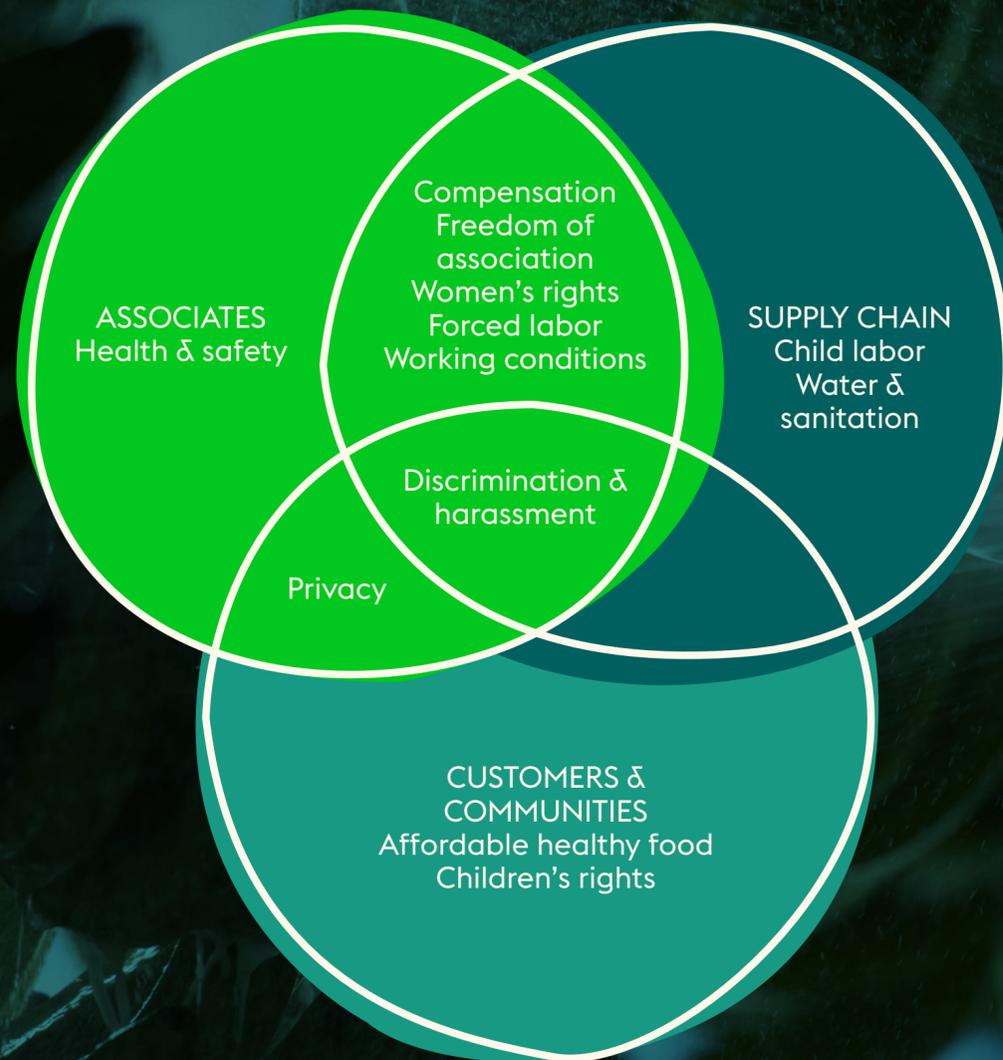
One example is *amfori*'s "Speak For Change" supply chain grievance mechanism program. The program is set up to receive complaints from workers, communities and their representatives who believe that they have been negatively impacted by *amfori* members and their business partners. Ahold Delhaize is one of the members involved in the pilot of the "Speak for Change" grievance mechanism in Vietnam. We recognize that local access to effective grievance mechanisms is essential to give workers a voice. One characteristic of the program is that it aims to take away barriers to access by being inclusive and easily accessible by phone, chat or the internet. It is also essential that we partner with other companies and relevant stakeholders to implement effective grievance mechanisms in complex supply chains. This pilot project contributes to the development of an effective, reliable mechanism for workers, including

women, in supply chains to speak up and voice concerns and complaints. If proven successful, the program will be rolled out to other sourcing countries.

## **C** Human rights defenders

Human rights defenders are individuals and groups that work peacefully towards the protection and promotion of human rights. Human rights defenders are sometimes subject to retaliation, intimidation, threats, physical violence and other forms of illegal mistreatment. At Ahold Delhaize, we do not tolerate such behavior and we expect the same from our suppliers. Human rights defenders should be able to work safely under all circumstances and in environments that enable them to do so.

# 8. Next steps on our roadmap



## **A** Confirming our priorities and next steps

In [Our approach to due diligence](#), we shared some of the key outcomes of the workshops that assess the impacts of each local brand against the global Roadmap on Human Rights. Although we cover all elements of our approach to due diligence in this report, we also see further opportunities for improvement. There is more work to be done.

The graph on the next page summarizes the next steps on our Roadmap on Human Rights.

# The next steps on our Roadmap on Human Rights:



## 1. Formalize our approach to due diligence

Ahold Delhaize embarked on a global due diligence process in 2018, guided by Enact and Human Rights@Work. Over the past two years, our brands have translated the global Roadmap on Human Rights to their local situations. We believe this process has created a solid foundation for proposed due diligence legislation in Europe and the Netherlands.

## 2. Review the social compliance program

Ahold Delhaize’s social compliance program is an important tool for effectively monitoring working conditions in global supply chains, but we also recognize its limitations. In addition, we recognize that decision-making and sourcing practices at the brands impact working conditions in the supply chain. As we review our

overall approach to due diligence, we will reflect on how to most effectively use social compliance audits and better engage the business on human rights.

## 3. Implement programs on priority issues

As discussed in *Our approach to due diligence*, the salient issues that stood out for our own operations were women’s rights and discrimination and harassment, both of which are being addressed as part of our bold aspiration for diversity and inclusion.

For supply chains, the salient issues that stood out were forced labor and child labor, mostly from the perspective of severity, as well as the vulnerability of migrant workers in global (agricultural) supply chains. While Ahold Delhaize encourages each of its brands to engage

locally with relevant partners to address its salient issues, including through the examples shared in this report, we will also support some of these issues at the global level.

We will continue to address and mitigate the other salient issues as well, also as part of Ahold Delhaize’s continued focus on diversity, inclusion, health, safety and sustainability, all of which are showcased in this report.

## 4. Develop metrics and monitor progress

Ahold Delhaize has an established history of reporting on topics such as climate change, human rights and diversity and inclusion. In 2021, we committed to increasing the transparency with which we report on our progress on diversity and inclusion, and there are similar efforts under way for our climate targets. We believe

that “what gets measured, gets done” and we apply this approach to our salient issues and our progress on human rights.

## 5. Engage stakeholders along the way

As part of our global due diligence process, we have consulted with a diverse group of stakeholders in Europe, the United States and Indonesia, and we continue to engage with affected stakeholders on these issues.

Now that we are entering the next phase of our Roadmap, collaboration and partnership is key. If our ambition is to drive positive impact, we simply cannot do it alone. We will need the expertise and experience of partners who can help us build programs that are collaborative, effective and transparent.

## B Collaboration and partnerships

In our [2020 Human Rights Report](#), we shared an extensive overview of collaborations and partnerships; these and many more continue to support our work and are highlighted throughout this latest report.

Some new collaborations and memberships that support our work include the SAI Platform, of which Ahold Delhaize is a member. The SAI Platform enables us to work jointly with major manufacturers and input providers to address issues beyond processing, which, for us, means beyond the last stage of production. With its Farm Sustainability Assessment and the Sustainable Dairy Partnership, SAI Platform has developed tools that provide opportunities to increase transparency beyond processing on, among others, social issues.

In September 2021, Ahold Delhaize joined the newly formed Sustainable Wine Roundtable (SWR) – a unique coalition of leading wine brands, small producers, distributors, retailers, environmental organizations and others – determined to make the wine sector a sustainability leader. The SWR

will develop a global reference standard clarifying the wine community's consensus on exactly what sustainability means and how it is implemented and measured.

In 2021, Ahold Delhaize joined Business for Social Responsibility (BSR) – a global network of member companies, thought leaders, peers, and stakeholders – all focused on creating viable sustainability solutions. BSR has extensive expertise on human rights. You can read more about Ahold Delhaize USA's work with BSR in [Our approach to due diligence](#).

## C Engaging internal and external stakeholders

We have established mechanisms to engage with many of our affected stakeholder groups, and their experiences inform our Roadmap on Human Rights and how we address the salient issues. Examples include the associate engagement survey, an annual survey of all associates that includes questions about their perception of, among others, inclusiveness, diversity, health and safety. The results, including steps to address the findings, of the associate engagement survey are discussed across Ahold Delhaize and its brands, including by the Executive Committee. Through our website, social media, intranets and other internal communication channels, we share – and engage on – a wealth of information on programs related to the salient issues and human rights in general. We share the Human Rights Quarterly on Ahold Delhaize's intranet and in the Ahold Delhaize internal newsletter (with a special edition dedicated to Human Rights Day) each quarter.

Our brands regularly engage with customers through surveys, consumer studies, focus groups and through more informal channels, such as social media. In addition, Ahold Delhaize and each of its brands collaborate closely with local community organizations and charities, in some cases through brand-owned foundations like the AH Foundation and the Albert Foundation.

## Business Resource Groups

Ahold Delhaize and each of its brands derive great value from their internal Business Resource Groups (BRGs). Our brands leverage their BRGs to support associate needs and advance local diversity and inclusion strategies – and they are growing in number. These groups offer activities and initiatives throughout the year that support inclusion and education around topics related to diversity.

In 2021, Hannaford's Hispanic BRG celebrated Hispanic Heritage Month by sharing an associate's recipe and unique story to inspire customers and associates alike. Giant Food's Thrive: People of Color BRG educates associates on topics important to its members. Retail Business Services, the services company of Ahold Delhaize USA, recently launched a Diversity, Equity & Inclusive (DE&I) Council that is charged with driving awareness, adoption and acceleration of the company's DE&I strategy and supporting the commitment to create a workplace where every associate feels a sense of belonging. The council includes representation from each of the company's BRGs.

Our European brands have launched local branches of the Young Ahold Delhaize BRG for associates just starting out on their careers. The Delhaize Serbia branch already connects more than 140 young associates from stores, distribution centers and the support office, offering events and activities to help them get to know each other, share knowledge and make work fun. Albert also launched Experienced Albert, to further support age diversity and make all associates feel included.

Case study



Community stakeholders are actively involved in helping our brands be stronger partners in creating healthier communities.

Because it is a challenge to directly engage with potentially affected stakeholders in our supply chains, we do so through collaborative programs and partnerships, often with the active participation of local unions and NGOs that are mentioned in this report. The Human Rights Impact Assessments conducted by Albert Heijn are just one example. In addition, Ahold Delhaize and its brands engage with stakeholders through regular dialogue. On a global level, this includes investors and relevant benchmarks, including the Corporate Human Rights Benchmark and the Platform Living Wage Financials, as well as NGOs like Oxfam and

UNICEF. Locally, each brand regularly interacts with local stakeholders, including some of the same organizations we engage with globally but also other community organizations and local governments.

## D Reflection on our progress and challenges

These are challenging times. A global pandemic, war, rising inequality, and the impacts of climate change are but a few of the enormous challenges that confront

our businesses and our world. But, despite the state of the world, there are also positive developments. There is now greater awareness of human rights risks, which is creating a demand for greater transparency. More companies are taking action, and the emergence of new legislation has the potential to create a level playing field and further drive collaboration to address systemic risks and protect and respect human rights.

Our journey has been a learning process. With every step we take, we discover more that needs to be done. The process of validating our global overview of salient issues and Roadmap on Human Rights with the brands confirmed two important things: i) due diligence is a continuous process, and ii) priorities shift and change. When we set out on the global due diligence process in 2018, we could not have foreseen the pandemic and its impact on health, safety and well-being, or the impact of the influx of large numbers of refugees into the countries where our brands operate. Consequently, a key next step is to formalize a continuous due diligence process.

Facing major challenges can be daunting. In our internal communications on human rights, we emphasize how each and every one of us can impact human rights in our day-to-day work and in our personal lives. From personally contributing to an inclusive workplace to keeping your colleagues and customers safe during a pandemic, we all have a part to play. Across the many due diligence workshops that took place in 2021 and 2022, the participants all had one thing in common: they live our values. And they do what is right, every day.

Our commitment to respect human rights and address these challenges requires everyone's efforts. For that reason, we must recognize the significant contributions that have been made by so many, both internally and



externally. We offer our sincere thanks to all participants in the due diligence workshops and to everyone who contributed to the process of writing and reviewing the 2022 Human Rights Report. It was a true collaborative effort, and the dedication and commitment of every contributor is reflected in this report.

In addition, we are grateful to our partners, investors and other stakeholders who have engaged with us on the topic of human rights. Ahold Delhaize and its brands cannot fulfil their commitment to respect human rights without collaboration across organizations and supply chains to address systemic issues. We appreciate your willingness to engage, to ask questions and to help us learn more. We look forward to continuing this dialogue, on this report and particularly on the next steps on our Roadmap. The next phase of our journey is here, and we invite you to come along with us!

Case study

## Humanitarian relief in Ukraine and neighboring countries

Ahold Delhaize and its local brands care for the people and the communities they are part of and work globally and locally to support humanitarian relief efforts. In 2022, Ahold Delhaize strongly condemned Russia's act of military aggression in breach of international law. Our brands in Europe, together with Ahold Delhaize, donated more than €1.5 million worth of cash and in-kind support, and generated an additional €1.2 million in customer and associate donations to organizations like the Red Cross. Several brands, including Mega Image in Romania and Albert in the Czech Republic, are supporting associates who are volunteering their time to provide on the ground support, and are actively promoting jobs to Ukrainian people displaced by the violence. We will continue to provide support for as long as it's needed.



# Glossary

The definitions, terms and abbreviations outlined below add context to the content and metrics shared in this report.

## Acceptable standards and certifications for commodities

Ahold Delhaize defines acceptable standards as multi-stakeholder initiatives or standards supported by multiple stakeholders. They include third-party verification and focus on mitigating the main environmental and/or social issues associated with a commodity's production. Acceptable standards are globally consistent and focus on continuously improving production and supply chain practices. Acceptable standards for tea, coffee and cocoa include Rainforest Alliance / UTZ, Fair Trade USA / Fairtrade / FLO-CERT / Fairtrade Sourcing Program or equivalent standards. Acceptable standards for palm oil include RSPO Principles & Criteria and equivalent standards. Acceptable standards for wood fiber are the Forest Stewardship Council (FSC) Chain of Custody, Program for Endorsement of Forest Certification (PEFC) and Sustainable Forestry Initiative (SFI) or equivalent standards. Acceptable standards for soy are RTRS standard for Responsible Soy Production and ProTerra, or equivalent standards. The majority of credits we purchase are area-based RTRS credits from the Cerrado Region. Acceptable standards for seafood products include certification against a program that is recognized by the Global Sustainable Seafood Initiative (GSSI) and cover all Aquaculture Stewardship Council (ASC) farm standards.

## amfori BSCI

The *amfori* Business Social Compliance Initiative (BSCI) is a non-profit organization that supports more than 1,000 international companies in the process of monitoring and improving working conditions in the global supply chain through its own auditing program.

## Associate

Associates with a legal contract or active pay status (U.S.-specific) with Ahold Delhaize or its brands. This excludes external associates and contingent workers and includes expats counted in their home country. Associates include seasonal workers, student workers (including summer season students), part-time and full-time associates, both short-term and long-term contracted associates and associates with an active pay status (U.S.-specific) as well as associates whose contract is currently suspended (e.g., for time credit or long-term illness). Associates who have an employment contract with independent operators of affiliated or franchised stores and students who are on a nonremunerated internship are excluded from the reported figures in this section.

## Associate engagement benchmarks

We use two global benchmarks for our associate engagement survey: Global Retail, which comprises companies in the 5300 Retail industry classification benchmark that operate in multiple countries and have both a brick-and-mortar and online presence, and High Performance Norm, which comprises companies in the top quartile (75th percentile) of the Perceptyx Global normative benchmark database.

## Associate engagement survey

Associate engagement is measured through an annual survey of all associates employed by Ahold Delhaize and its brands. A number of items in the survey are used to derive and calculate an associate engagement score:

- Healthy workplace: associates are asked about the support they receive to have healthier lives.
- Inclusive workplace: associates are asked about the support they receive to have a more inclusive workplace.
- Associate development: associates are asked about the support they receive to develop their skills and careers with Ahold Delhaize.
- Engagement: associates are asked about how they feel about Ahold Delhaize.

## Associate turnover

This metric expresses the number of people lost through resignation, attrition and other means compared to the total number of people in the organization. It includes all turnover, regardless of reason and is reported in percentage. The formula is: total number of inactive associates / total number of associates within a given time period.

## Balanced candidate slates (50/50)

In a balanced candidate slate, 50% of the final candidates must be from a diverse/ underrepresented population (female, person of color/ethnic/multinational) and at least two of the candidates in the final slate must be diverse.

## Business Resource Group (BRG)

BRGs are groups of associates who join together in their workplace based on shared characteristics, life experiences, etc. to provide support, enhancing career development and contributing to personal development and the feeling of belonging / inclusiveness in the work environment.

## CGF

Consumer Goods Forum

## ESG

Environmental, Social and Governance

## Full time

Associates who work full time (= one FTE), as measured by contract hours/standard weekly working hours, are considered full time.

## Gen Z

Generation Z, also called Gen Z, is the generational cohort following millennials, born in 1997+.

## GFSI

Global Food Safety Initiative: a Consumer Goods Forum Coalition of Action that enables continuous improvement of food safety management across the supply chain, through benchmarking, collaboration and harmonization of food safety certification programs.

## Global Reporting Initiative (GRI)

An independent international not-for-profit organization that developed the GRI Sustainability Reporting Standards and works to support their implementation.

## Global Support Office (GSO)

The name of Ahold Delhaize's headquarters, based in Zaandam, the Netherlands. The company also has regional offices in Brussels and Geneva, and some GSO associates work out of the U.S. brands.

## GRC

Governance, Risk Management and Compliance

## Healthy products

Own-brand healthy food sales include all own-brand products that earn one, two or three Guiding Stars (in the U.S. market) or earn an A or B score from Nutri-Score (in Europe). Total own-brand food sales include food sales from company-operated stores as well as franchise stores.

## Inclusive workplace: associate perception

Associates' perception of the inclusivity of their workplace. The metric shows the percentage of associates who strongly agree or agree with the following index questions in the associate engagement survey:

- My manager treats all associates with respect.
- At my company, diversity is valued.
- My team members work well together.
- I am encouraged to share my ideas around improving our work environment.
- There are career opportunities for me at my company.

## Last-stage of production (LSOP) unit

The entity that performs the last stage of production or processing in the supply chain where food and non-food safety and/or working conditions are impacted. The LSOP is:

- For food safety: the location where the final consumer product (including packing) is handled.
- For non-food safety: the location where the final consumer product (excluding packing) is assembled.
- For social compliance: the location where labor is involved in producing or processing the final product, excluding (re-)packing in a non-high-risk country.

## National brands

Products that are distributed nationally under a brand name owned by the producer or distributor.

## NGOs

Non-governmental organizations

## Number of injuries that result in lost days

Number of injuries that result in days lost that are directly related to work-related accidents per 100 full-time equivalents. The number of days lost are days scheduled to be worked according to each associate's schedule. An injury is a non-fatal or fatal injury arising in the course of work.

## Occupational illness frequency rate

Work-related illnesses or diseases occurring in the course or scope of employment. Occupational illnesses or diseases are only measured if a patient requires a medical professional to administer direct care or evaluate the illness or disease. In the U.S., information from our local claims management or insurance providers is used to monitor performance in this area. Since local claims management or insurance providers need to comply with local legislation, the acceptance of illnesses or diseases as work-related can deviate across brands. Occupational illnesses are calculated per one million hours worked.

## Organic food products

Food that meets specific, governmental standards relative to the use of synthetic pesticides, fertilizers or any other chemicals and the way natural resources (soil, animals, energy and water) are treated in the production process. An "organic" product is a product that is certified as organic by a certifying body recognized by the government.

## Own brands

Own-brand products at Ahold Delhaize company operated and -affiliated stores include: private labels, fancy brands (proprietary private labels that are a fantasy name owned by Ahold Delhaize), exclusive brands (brands that are not international, national or regional brands), store-prepared products (in-store food preparation, even if derived from branded stock), non-branded products (such as bulk fruit and vegetables or no name non-food products) and promotional items related to the non-branded products. In short, every product that is not an international, national or regional brand is considered to be an own-brand product.

## Part time

Associates who work less than full time (< one FTE), as measured by contract hours/standard weekly working hours, are considered part time.

## Private label products

Private label products are a sub-set of Ahold Delhaize own brands, consisting of products with a visible proprietary label from an Ahold Delhaize brand.

## Reflective of our markets: associate perception

Associates' perception of whether they work in a diverse team that fully reflects the community and customers our brands serve. The metric shows the percentage of associates who strongly agree or agree with the following index questions in the associate engagement survey:

- I am part of a diverse team that fully reflects the community and customers we serve.
- My company recruits a diverse talent pool.
- My company promotes associates with diverse backgrounds.

## Sustainable Development Goals (SDGs)

The United Nations SDGs are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. The 17 goals replace the Millennium Development Goals and are set on a 2016-2030 time frame.



If you have any questions regarding this report, please contact [ethics@aholddelhaize.com](mailto:ethics@aholddelhaize.com).

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