



Commitment to gender equality

ALDI believes that all workers should be treated fairly. We do not tolerate any form of discrimination and commit to achieve gender equality across our own business and supply chains. We recognise that the majority of workers in many of our supply chains are women and that they may be disproportionately impacted. Some of the problems faced by women workers include unequal treatment, risk of gender-specific discrimination regarding wages and working conditions, limited access to land, unpaid productive roles and care responsibilities and education. To underline our efforts and to promote women empowerment within our supply chains and within the ALDI Nord group of companies, we signed the [UN Women's Empowerment Principles](#) and we will publish a gender policy and our gender action plan in autumn 2021.

Our policy on gender equality in our supply chains

- outlines ALDI's principles towards gender equality as well as the expectations towards, and support we provide to business partners. Among others, these principles include the guarantee of gender-sensitive health and safety at production sites, ending gender-based violence as gender equality in hiring, training, promotion, and remuneration
- includes the concept of intersectionality, as we know that gender inequality often intersects with other forms of discrimination
- covers specific challenges women face and its root causes
- includes steps on how we strive to integrate the principles in our due diligence process, for example with increasing transparency and publication on gender-specific data.
- Presents our approach to guarantee regular, meaningful and constructive engagement with business partners and trade unions on the topic of women's rights.

To bring the policy and the principles into action, we are currently developing a gender action plan containing measures and targets with defined timelines. This plan will also include tasks which will secure the integration of gender equality into our due diligence process. The Gender Action Plan covers the following tasks, among others:

- Gather and publish gender-specific data to get a better understanding of supply chains having a high proportion of women represented and positions they are employed as well as detect pay gaps between women and men. By the end of 2023 we will still systematically track and disclose the results of this analysis for at least 3 high-risk food and non-food supply chains down to the production/ farm levels.
- If the analysis shows gender pay gaps, by 2026 we will make meaningful progress in closing the gender pay gap in at least 3 high-risk supply chains and report on our progress.
- Tackle gender-based violence and harassment and publish measures to further integrate this topic in our existing processes such as our ALDI Social Audits and workers interviews, in line with the ILO convention 190 as well as existing guidance, before the end of 2023.

- Raise awareness on gender equality towards all our suppliers and support them with guidance to meet the principles laid out in the gender policy. A respective guideline will be finalised in 2022.
- Based on this guidance we will support our suppliers to remove barriers to women's representation in 3 high-risk supply chains by the end of 2023 and report publicly on that.
- Support gender-sensitive procurement by increasing the share of products we buy from women led businesses by the end of 2023.
- Include gender inequality in our ongoing human rights and environmental risk assessments to map and publish the high-risk supply chains (food and non-food) where women workers are most prevalent by 2022.
- To better understand the severity and likelihood (saliency) of the risks affecting women in supply chains, we include the gender aspect in our human rights impact assessments. On average we will conduct one HRIA that covers these gender aspects annually. In the scope of these assessments we are engaging with women's right organisations and local stakeholders to understand risks and root causes as well as ALDI's impact on gender discrimination across the supply chains. Our HRIA will be accompanied by a time-bound action plan, aimed at improving working conditions, taking the special needs of women workers into consideration. We will engage with the involved stakeholders to validate the findings and we will report publicly about the action plan and the engagement, latest by mid-2023.

In our textiles supply chains, we have identified that many workers are reliant on factory-based childcare services due to financial constraints and a lack of alternative care options. With our ALDI Factory Advancement Project PLUS, we support improving internal childcare offers, among others. Such projects will also be part of the action plan.

We have set the goal of establishing grievance mechanisms that meet the requirements of the framework of the UN Guiding Principles (UNGPs) in our high-risk supply chains by 2025. We will also investigate on the gender-specific needs to implement safe, effective and gender-sensitive grievance mechanisms. We commit to report about the learnings of the projects we pilot together with other retailers and partners in global food supply chains by the end of 2022 and reflect whether the grievance mechanism is safe and effective for women, whether remedy is provided and how barriers are addressed. Furthermore, we will give details on the functionality (including local women's organizations, whether UNGP quality criteria are met).

We are continuously in contact with external stakeholders to make sure that we meet the expectations towards ALDI as one of the leading international retail enterprises and we will further strengthen our dialogue with women's rights organisations and trade unions to validate our gender policy and action plan in order to better meet the needs of women. We will furthermore promote women's representation and rights in those dialogues, whenever possible.

Part of our existing work on understanding and tackling low wages in the chocolate, orange and banana supply chains, starting from mid-2023 we will publish annually our progress in improving wages of all workers in these supply chains.

Many of the root causes of gender inequality are difficult to address as a single company, but we will do our part to contribute to gender equality and we further aim to advocate and

raise awareness on gender equality, internally and externally, within multi-stakeholder initiatives and individually.