

Human Rights Policy

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1. Our view on human rights

Colruyt Group wants to make a positive difference in everything it does. **Our group mission and values** are the crucial guidelines in this process. Every day we work on a common goal: Together, we create sustainable added value through value-driven craftsmanship in retail. From an economic impulse, this goal leads us to creating a social and ecological added value.

Our commitment to human rights also falls under this. As a retailer and **people-oriented organisation**, we want to take responsibility and, from our special place in the value chain, **be a lever for transparency and sustainable positive change**. We do this by joining forces with various stakeholders. But also for our workers and customers, we are committed to respecting human rights and, by extension, all legislation applicable to our company. After all, Colruyt Group has long been a **pioneer** in sustainable entrepreneurship.

Colruyt Group subscribes to a broad definition of what human rights are. In short, it's about **fundamental rights for all people**, whoever or wherever they are. This concerns not just civil and political rights (e.g. freedom of expression), but also about social, cultural and economic rights (e.g. the right to a decent standard of living). Although we recognise the limits of our possibilities, we want to help build a world where everyone's human rights are truly respected. Important **human rights treaties and standards** include the following:

- The Universal Declaration of Human Rights (UDHR);
- The UN Sustainable Development Goals;
- The International Covenant on Civil and Political Rights (ICCPR);
- The International Covenant on Economic, Social and Cultural Rights;
- The European Convention on Human Rights;
- The Convention on the Rights of the Child (CRC);
- The UN Guiding Principles on Business and Human Rights (UNGPR);
- The UN Global Compact;
- The OECD Guidelines for Multinational Enterprises;
- The ILO Declaration on Fundamental Principles and Rights at Work;
- The National Action Plan on Business and Human Rights.

We have defined a number of '**aspirations**' with regard to the people-related themes. They are considered to be valuable principles against which we test our day-to-day decisions, i.e.:

- As Colruyt Group, we want to contribute by raising our own level of awareness regarding sustainability and generating a positive impact in and through our activities. And as a people-oriented company, our goal is to help build a more sustainable society by raising the **collective awareness**.
- We want **our workers** to be able to fully develop their capabilities and give their best. This will allow us to raise awareness to sustainability as well as to everyone's individual contribution to achieving it.
Ultimately, our workers are our best **ambassadors**, also with regard to sustainability.
- Our infrastructure serves many people, first and foremost our workers. We ensure a **safe and healthy workplace** with a view to physical comfort, minimal negative emissions and sufficient relaxation and meeting areas.
- We also want to **raise and activate our customers' knowledge and awareness of sustainability** in order to take concrete action. In addition to products, we offer services to achieve this. We want to work in a way that is good for us and for the next generations.
- From this sense of strong solidarity and permanent interaction, we want to make meaningful contributions for **everyone involved with our company**.
- We ensure good relations with the **local community**. In the vicinity of our retail and production activities, we aim for minimal inconvenience (noise, light, etc.) and disruption.

More specifically, from our operations as a retailer, we mainly focus on the following **material human rights themes**:

- Health & safety
- Diversity & inclusion
- Decent working conditions & standard of living
- No child or forced labour
- Fair pay & employment conditions, including the right to a living wage and income
- Freedom of association
- Privacy

This policy text **applies to Colruyt Group**, whereby Colruyt Group is understood to mean all legal entities controlled by Colruyt Group, i.e. Colruyt Group NV and all subsidiaries.

2. Colruyt Group's Human Rights Policy

2.1 Our producers and suppliers

As a retailer, Colruyt Group sells many items that are produced in a long and complex supply chain. This applies to private-label products and (inter)national brands. We work closely with numerous producers and suppliers to meet the day-to-day needs of our customers. We seek a professional and sustainable long-term relationship with these partners and we therefore expect a commitment from them to respect human rights. From our position in the chain, we want to act as a lever, in particular with regard to smaller suppliers, where we are committed to supporting them as much as possible in this ambition.

Step by step we want to improve the conditions in our supply chain. We acknowledge our responsibility in this as a retailer and at the same time realise that we are part of a much larger ecosystem. The complexity of the challenge calls for a joint approach, from both an individual and a shared responsibility. To shape these ambitions, we use different approaches in which we prioritise on different criteria including our impact and potential leverage (priority: private-label products), volume (priority: largest volumes) and product, or raw material or country risks (priority: high risk).

The following are some of the important measures we adopt:

- Amfori BSCI code of conduct and social audits

We ask suppliers of private-label products to sign the amfori BSCI code of conduct. The code of conduct is based on international conventions such as the Universal Declaration of Human Rights. Compliance monitoring focuses on high-risk countries where the protection of human rights is not self-evident and is conducted through social audits by recognised auditing agencies. In case of non-compliance, the producer or supplier is contacted and support offered. Generally speaking, collaboration is discontinued in case of serious violations or lack of goodwill of the partner to work on improvement.

- Sustainability certification

For private-label products, we systematically opt for certifications for social and ecological aspects in the case of known, significant challenges. The raw materials and products we focus on include coffee (Rainforest Alliance, BIO, Fair Trade), cocoa (Rainforest Alliance, BIO, Fair Trade), palm (kernel) oil (RSPO), fish, shellfish and crustacean products (MSC, ILFO/ISSF, ASC, BIO), cotton (BCI, GOTS) and wood (FSC, PEFC). Despite the known limitations, certification remains the best way to contain certain impacts on human rights on a large scale.

- Sector initiatives and international chain projects

For a range of high-risk raw materials and products, we undertake to seek greater collaboration with chain actors and to increase transparency. This is particularly important when human rights challenges are systemic. 'Beyond Chocolate' is one example of such sector initiative. In 2018, we co-signed this sector agreement that aims to sustainably improve the living circumstances of cocoa producers by 2030. In international chain projects, we work closely with chain actors to produce the most sustainable product possible. Such projects give us many insights into product supply chains, while also allowing us to monitor the impact of certain purchasing practices. Moreover, if a supply chain project is successful, we can scale it up throughout the category, as we did for our Boni chocolate bars. In 2023, we were active in 11 international supply chain projects resulting in 46 private-label products. We also combine these chain projects with Colibri Foundation training projects. By 2030, we aim to close the living wage and living income gap for our top five high-risk commodities (including cocoa).

2.2 Our Workers

As a value-driven family business, Colruyt Group puts workers and their well-being first. We want every worker to be in a good mental, physical and social condition in a work-related context. This applies to our activities in Belgium, but also, for example, to our colleagues in France or India. The company therefore aims to respect the human rights of all our workers and to comply with all applicable laws.

This translates more concretely into correct employment conditions, such as a market-based salary, a wide range of training courses, career opportunities and a good work-life balance. We also pay special attention to creating a safe and healthy working environment for every worker and therefore maintain high health and safety standards through an extensive internal policy and regular internal follow-up audits.

Colruyt Group also believes in the strength of diversity and inclusion when hiring new workers, putting together teams and in the day-to-day cooperation. We are convinced that diversity and inclusion are an added value for both individual workers and the organisation as a whole. That is why we have a zero tolerance policy towards discrimination and aim to be an inclusive company where open dialogue and mutual respect are key.

Of course, we also respect all legal obligations associated with social dialogue and recognise the importance of a constructive dialogue and collaboration with social partners.

The internal 'Social support guide' provides our workers with an overview of where they can go for help and whom to contact. In principle, their line manager is the first point of contact for anything regarding employment or private problems. And specialists provide additional support and advice:

- The Human Resources Manager: (confidential) talks about the work situation, conflicts with the superior or a colleague, etc.
- The shocking events relief team: relief following a shocking event, coming to terms with it, looking for specialised help, etc.
- The Connection: support in the event of the death of a family member or colleague, personal or family problems, submission of files to the Solidarity Fund, etc.
- The confidential counsellor: (confidential) talks about inappropriate or unsolicited sexual behaviour at work, aggression at the workplace, bullying, stress and burnout, conflicts or communication problems, etc.
- The prevention advisor for psychosocial aspects: inappropriate or unsolicited sexual behaviour at work, aggression at the workplace, bullying, stress and burnout, alcohol and drug problems, social support, etc.

2.3 Our Customers

The business integrity Colruyt Group seeks also has a major impact on our customers. It goes without saying that our zero tolerance policy extends to customer discrimination. The establishment and operation of a Data Protection Office (DPO) guarantees the protection of our customers' privacy. And in the marketing departments, we are also developing a truthful, realistic and sustainable view of our products and services. Colruyt Group has also been part of Belgian Pledge since 2017, an initiative through which we undertake to limit marketing to children under the age of 12 and to subject any such marketing to strict criteria.

The last undertaking is to make tasty and balanced food accessible to as many people as possible. We do this in part by improving the nutritional composition of our assortment, but also through initiatives such as 'Dinner is served in 1-2-3 euros' or food donations to social organisations. We would also like to mention the Nutri-Score, which helps customers make conscious and healthy food choices. This handy indicator allows the nutritional values of products within the same assortment to be compared at a glance. The Nutri-Score can be found on the packaging of all Boni Selection and Spar products and is also available online.

3. Due Diligence

Colruyt Group organises itself as much as possible according to the 'due diligence' principle, also when assessing potential or actual human rights violations. This may involve violations related to activities of Colruyt itself, its partners or chain actors. The necessary processes need to allow violations to be prevented, limited or stopped as much as possible.

All this is based primarily on the *OECD Guidelines for Multinational Enterprises* and the *UN Guiding Principles on Business and Human Rights*.¹ The OECD offers a frame of reference that is dynamic, preventive and risk-oriented. It allows processes of continuous improvement to be structured and greater transparency on risks and impacts to be created. In each case, this is driven from the individuality of the company and the broader context in which we find ourselves as a retailer. The guidelines distinguish the following steps, whereby we gradually reveal more information:

1. Integrating human rights policy into the organisation

Colruyt Group's human rights policy applies to the whole organisation (see also 4.1). Several policy documents and positions have already been drawn up, some of which are also available on our website, such as the Diversity, Equality and Inclusion Policy Framework. As explicitly stated in this general policy document (see 1.), Colruyt Group adheres to the main human rights treaties and standards. We also ask suppliers of private-label products to sign a Letter of Commitment and a Code of Conduct based on the amfori BSCI Code of Conduct. These documents are in turn inspired by international conventions such as the Universal Declaration of Human Rights.

2. Identifying key risks and impacts

Starting in 2022, we have been assessing Colruyt Group's impacts and risks overall in a materiality exercise. There are also several other ways in which we identify key risks and impacts at Colruyt Group. For our own workers, we capture *inter alia* important input for this through the psychosocial risk assessments and social dialogue. Turning to our product supply chains, our current assessment is based on product location and focuses on impacts associated with the supply chain of private-label products. At-risk products are those from high-risk countries according to the World Bank's World Governance Index (WGI). Moreover, we conduct non-structural, case-specific impact assessments. These are based, among other things, on external sources (experts, public impact reports, investigative journalism, etc.), insights from chain projects (e.g. feedback from the farmers themselves) and customer feedback.

¹ OESO Guidelines for Multinational Enterprises, [Guidelines - Organisation for Economic Co-operation and Development \(oecd.org\)](https://www.oecd.org/dai/guidelines-organisation-for-economic-co-operation-and-development/); UN Guiding Principles on Business and Human Rights, [guidingprinciplesbusinesshr_en.pdf \(ohchr.org\)](https://www.ohchr.org/documents/default.aspx?docid=10953).

3. Taking measures to stop, prevent or mitigate

As described earlier, our concern for human rights violations is underlined by a wide range of measures in the supply chain (see 2.1), in our own operations (see 2.2) and together with our customers (see 2.3). Further information is available on our website or in the Sustainability Report.

4. Monitoring the effectiveness of measures

Backing our human rights targets, but also as a way of monitoring specific measures, performance indicators are used. These are monitored, analysed and published annually in the sustainability report. The effectiveness of measures for our own workers is primarily monitored at Colruyt Group by the People & Organisation department. For example, in the interest of a safe working environment, they maintain performance indicators such as the frequency rate of occupational accidents. We also track private-label suppliers from high-risk countries through amfori BSCI and Sedex SMETA databases. Applying the principle of continuous improvement, we monitor scores, improvement rates and incidents of non-compliance. For well-defined at-risk products, we also monitor the effectiveness of our measures through international supply chain projects and partnerships.

5. Reporting and communicating

In addition to the internal reporting from the organisation's various departments that contribute to achieving Colruyt Group's ambitions, we have been publishing an annual sustainability report since 2018. This is now part of the annual report, alongside the group-level financial reporting. In this report we publish our view, actions, targets and indicators in the human rights field. This information is supplemented by our Colruyt Group website and the policy documentation which is also made available to our various stakeholders through that channel.

6. Complaint and remedy mechanisms

Our workers have several channels enabling them to report problems and obtain solutions or remedies (see also 2.2). We further aim to set up a complaint mechanism accessible within our supply chain to receive information about potential human rights violations. We are currently working with certification and audit partners, such as amfori BSCI, Sedex SMETA, ICTI, Fairtrade, Rainforest Alliance, all of which have their own complaint mechanisms. In addition, we naturally make channels available to our customers, as well as a contact page on our website for reporting violations under the whistleblower laws.

4. General provisions

4.1 Governance & Monitoring

Our human rights ambitions are monitored by the Sustainability department in close cooperation with the board members.

Of course, the management of each operating unit within Colruyt Group bears responsibility for endorsing and implementing our commitment to human rights. The operations of the operating units are in line with the applicable legislation and internal policy. Ultimate responsibility lies with the Management Committee led by the CEO.

It is important to mention that sustainability is part of Colruyt Group's overarching Enterprise Risk Management processes and has been formally identified as a group risk.

4.2 Stakeholder Commitment

Colruyt Group has a strategic place in the chain. However, we are very much aware that we are just one actor within a broader ecosystem. And to minimise the risk of human rights violations, we must join forces. That is why we enter into a dialogue and collaborate with various stakeholders (business partners, sector federations, governments, NGOs, social and environmental organisations, etc.). In this way, we gather input to further shape our human rights approach and to meet complex challenges effectively and with focus.
