

Human Rights Policy

Versie 2.0
2023/11/14

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 for our workers and customers, we also undertake to respect human rights and, by extension, all legislation applicable to our company. After all, Colruyt Group has been a pioneer in sustainable entrepreneurship for a long time.

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 you are. This concerns the different generations of human rights. This includes civil and political rights (e.g. freedom of expression), but also about social, cultural and economic rights (e.g. right to a dignified 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 'ambitions' 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 and give the best of themselves. This will allow us to raise awareness of sustainability as well as everyone's individual contribution together. 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 also 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 (noise, light, etc.) inconvenience and disruption.

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

- Health & safety
- Diversity & inclusion
- Dignified working conditions & standard of living
- Freedom from child and forced labour
- Fair pay & employment conditions
- Freedom of association
- Privacy

This policy text applies to Colruyt Group. Colruyt Group is understood to mean all legal entities affiliated with Colruyt Group NV, whose registered office is established in 1500 Halle, Edingensesteenweg 196, VAT BE 0400.378.485, within the meaning of article 1:20 of the Belgian Companies and Associations Code belong.

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 manufacturers 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. This particularly refers to smaller suppliers and we undertake to support them as much as possible in this ambition.

Step by step we want to improve the circumstances 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 and country risk (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. A discontinuation of the collaboration in principle occurs 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 are 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 risks of human rights violations on a large scale.

- Sector initiatives and international chain projects

For a range of high-risk raw materials and products, we undertake to seek more collaboration with chain actors and to increase transparency. This is particularly important when human rights challenges are systematically embedded. 'Beyond Chocolate' is an example of a 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. In 2021, we were active in 8 international chain projects resulting in 46 private label products. We also combine these chain projects with Collibri Foundation training projects.

2.2 Our Coworkers

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 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 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 for 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' tells our workers where they can go and whom to contact. In principle, the immediate superior 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, processing, 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 unwanted sexual conduct at work, aggression at the workplace, bullying, stress and burnout, conflicts or communication problems, etc.
- The prevention advisor for psychosocial aspects: unwanted sexual conduct 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 big impact on our customers. It goes without saying that we extend our zero tolerance policy towards discrimination to our customers. 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 any marketing to children under the age of 12 and to subject any 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 for potential or actual human rights violations. This may involve violations related to activities of Colruyt itself, partners or chain actors. The necessary processes need to allow violations to be prevented, limited or stopped as much as possible.

For this, we base ourselves 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

¹OECD Guidelines for Multinational Enterprises, [Guidelines - Organisation for Economic Co-operation and Development \(oecd.org\)](https://www.oecd.org/guidelines); UN Guiding Principles on Business and Human Rights, [guidingprinciplesbusinesshr_en.pdf \(ohchr.org\)](https://www.unhcr.org/refugees/ohchr.org).

transparency on risks 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 following steps can be distinguished:

1. We determine and integrate the human rights policy
2. We identify and evaluate the principal risks and impacts
3. We adopt measures that stop, prevent or limit
4. We monitor the effectiveness of our measures
5. We report and communicate about what is going well and what is not going very well
6. We provide or work towards repair, and raise awareness and craftsmanship

4. General provisions

4.1 Governance & Monitoring

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

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 Sustainability Domain Board and 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 aware that we are only one actor within a broader ecosystem. And to minimise the risk of human rights violations, this is the reason why 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.