



International Policy on Gender Equality in ALDI's Supply Chains



November 2021

INTRODUCTION

As international groups of companies, ALDI¹ is committed to fulfilling our responsibility to respect human rights, in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs), and as laid out in our [International Policy Statements on Human Rights](#). Gender equality is a fundamental human right and individuals of any gender should have equal rights, and access to the same resources and opportunities. As a retailer, ALDI is aware that certain human rights are of particular relevance. This includes, but is not limited to; non-discrimination, health and safety, freedom of association, the right to fair remuneration and the prohibition of human trafficking, child labour and forced labour. ALDI understands and recognises that women and girls are among those most affected by human rights violations and that they are still experiencing discrimination and disadvantages worldwide.

The challenges women face in supply chains can be different from the forms of discrimination that can occur in the own operations of retailers. To address gender inequality and to improve working conditions for women, ALDI strives for gender equality within its supply chains where it is being undermined or at risk. In its own operations, ALDI is committed to ensuring gender equality and equality of opportunity for all ALDI employees and job applicants. Diversity is vital for ALDI and we are dedicated to treating all of the employees and prospective employees fairly and with respect. We do not discriminate and ensure that ALDI employees are treated equally, in accordance with the law and as an individual, irrespective for example of age, gender identity, sex, disability, race, colour, nationality, ethnic or national origin, sexual orientation, marital or civil partnership status, part time or fixed term contract status, pregnancy or maternity, religion or belief.

ALDI has developed this “International Policy on Gender Equality in ALDI’s Supply Chains” (referred to as the “Policy”) in alignment with the following standards:

- [Universal Declaration of Human Rights](#)
- [UN Guiding Principles on Business and Human Rights](#)
- [ILO Convention No. 100: Equal Remuneration Convention, 1951](#)
- [ILO Convention No. 111: Discrimination \(Employment and Occupation\) Convention, 1958](#)
- [ILO Convention No. 156: Workers with Family Responsibilities Convention, 1975](#)
- [ILO Convention No. 183: Maternity Protection Convention, 2000](#)
- [ILO Convention No. 190: Elimination of Violence and Harassment in the World of Work, 2019](#)

¹ ALDI refers to the ALDI Nord Group of Companies (hereinafter referred to as “ALDI Nord”) and ALDI SOUTH Group (hereinafter also referred to as “ALDI SOUTH”). Both are legally independent groups of companies trading under the ALDI brand. The “International Policy on Gender Equality in ALDI’s Supply Chains” is published on the websites of the ALDI companies.

OUR APPROACH

Scope

Our Understanding

This Policy focuses specifically on women in supply chains, as a particularly vulnerable group who have traditionally been overlooked. We believe that by addressing the challenges women face in supply chains and supporting gender equality, we can promote greater diversity overall and support safer and more inclusive supply chains.

Gender equality is a state in which no one is discriminated against or disadvantaged on account of sex, gender or gender identity, and where everyone has equal access to fundamental rights. The root-causes for gender inequality are often systemic and complex. Most issues are historically rooted in patriarchal structures, a hierarchical distribution of power and are supported by societal, cultural, economic, political or religious norms and circumstances. This can lead to an attitude that considers women and their work to be of lower status. We are aware of the role women play in society and business, taking into account the double burden of paid work and their unpaid care and domestic responsibilities. We also include the concept of intersectionality into our considerations and our actions. This means that the discrimination of women can intersect with other forms of discrimination, for example on behalf of race, class, sexual orientation, migrant status or their status as seasonal workers, belonging to an indigenous community and physical limitations. These intersections can impact the level of vulnerability of female workers.

Definitions for key terms and concepts:

“**Gender** refers to the roles, behaviors, activities, and attributes that a given society at a given time considers appropriate for men and women. In addition to the social attributes and opportunities associated with being male and female and the relationships between women and men and girls and boys, gender also refers to the relations between women and those between men. These attributes, opportunities and relationships are socially constructed and are learned through socialization processes. They are context/ time-specific and changeable. Gender determines what is expected, allowed and valued in a woman or a man in a given context. In most societies there are differences and inequalities between women and men in responsibilities assigned, activities undertaken, access to and control over resources, as well as decision-making opportunities. Gender is part of the broader socio-cultural context, as are other important criteria for socio-cultural analysis including class, race, poverty level, ethnic group, sexual orientation, age, etc.”

“**Gender equality (equality between women and men):** This refers to the equal rights, responsibilities and opportunities of women and men and girls and boys. Equality does not mean that women and men will become the same, but that women’s and men’s rights, responsibilities and opportunities will not depend on whether they are born male or female. Gender equality implies that the interests, needs and priorities of both women and men are taken into consideration, recognizing the diversity of different groups of women and men. Gender equality is not a women’s issue but should concern and fully engage men as well as women. Equality between women and men is seen both as a human rights issue and as a precondition for, and indicator of, sustainable people-centred development.”

“**Gender equity:** The process of being fair to men and women, boys and girls, and importantly the equality of outcomes and results. Gender equity may involve the use of temporary special measures to compensate for historical or systemic bias or discrimination. It refers to differential treatment that is fair and positively addresses a bias or disadvantage that is due to gender roles or norms or differences between the sexes. Equity ensures that women and men and girls and boys have an equal chance, not only at the starting point, but also when reaching the finishing line. It is about the fair and just treatment of both sexes that takes into account the different needs of the men and women, cultural barriers and (past) discrimination of the specific group.”

“**Gender identity** refers to a person’s innate, deeply felt internal and individual experience of gender, which may or may not correspond to the person’s physiology or designated sex at birth. It includes both the personal sense of the body, which may involve, if freely chosen, modification of bodily appearance or function by medical, surgical, or other means, and other expressions of gender, including dress, speech, and mannerisms.”

Sources, accessed 10/2021:

[Gender, Gender equality, gender identity: Gender Equality Glossary](#)

[Gender equity: Gender Equality - Glossary of terms and concepts](#)

We recognise the existence of different gender identities and that potential discrimination is still deep-rooted and widespread. We believe that understanding, respecting and valuing the uniqueness of people is essential. Every worker, regardless of gender identity, deserves a safe workplace free of discrimination. We are committed to building an inclusive culture that values diversity in all its forms. Our core value of Responsibility ensures that we treat our people, customers and partners fairly. As global retailers, we strive to represent and serve the needs of the communities we operate in.

Our Requirements

ALDI commits to implement measures, which respect and fulfil the principles laid out in this Policy. It is our requirement for all our business partners to ensure that no gender-based violence or any kind of gender discrimination occurs in context with their business operations and activities. We encourage all our business partners and other suppliers to equally fulfil these principles and work towards supporting gender equality by ensuring adequate gender-sensitive policies, processes and monitoring are in place. "Other suppliers" include all sub-suppliers and production sites² as well as service providers, contractors and subcontractors relevant to ALDI's supply chains and business processes.

Principles

We recognise that we cannot tackle all gender equality related challenges and root-causes at the same time, nor can we effectively address these by ourselves. We are following a collaborative and risk-based approach in our supply chains to prioritise our activities. The following principles guide us towards improvements, while also explaining the specific aspects and root-causes of discrimination women still face. We acknowledge that these challenges may differ depending on sector, country and additional specific factors.

Ensuring non-discrimination and equal pay

Women may face a multitude of disadvantages when it comes to employment and remuneration. There is a risk that women are disadvantaged in economic decision-making at household level, that they are paid less than men while doing the same work (also referred to as gender pay gap) or limited to informal, casual or piece-rate work. This is exacerbated further where women have limited access to training and support programmes and are underrepresented in management or leadership positions. There is a risk that the marital status of women or a potential pregnancy can also be part of the reasons why women are discriminated against in the labour market. In the agricultural sector in general, much of the work done by women remains invisible on small and family farms.

Sex or gender, marital status, or pregnancy should not lead to disadvantages during hiring, employment, training, promotion and remuneration.

² Production sites are defined as any site that is used for the production or growth of products sold by ALDI. This includes, but is not limited to food and non-food production facilities, farms, plantations and fishing vessels.

Combating violence against women and girls

There is a risk that women and girls face gender-based violence³, abuse or harassment in recruitment, re-employment or during their daily work. One of the root-causes is the gender imbalance regarding management or leadership positions, which can lead to unequal power structures and economic dependency. Women may not talk about or report gender-based violence and harassment out of fear of worsening their situation or because they may not be aware of their rights. This makes it difficult to understand the scope of the problem and address it adequately.

No one should be exposed to violence and threats in the workplace and employers should have systems in place to address these issues when they arise to support victims and hold perpetrators accountable.

Ensuring health & safety at work

Special protection during pregnancy, nursing and adequate hygiene conditions are of central importance for the health of women and girls. There is a risk that these standards are not always assured and pregnant women do not have access to maternity benefits and childcare.

Adequate and gender-sensitive health and safety should be assured at every production site.

Supporting women's access to resources and making women's voices heard

As women are disproportionately represented in the informal sector, including among homeworkers, seasonal or part time workers, it impacts their access to worker representation. Other factors exacerbating the difficulties for women in participating in trade unions and workers' organisations include a lack of time caused by the double burden of paid work and unpaid care work or social gender norms.

Everyone should be aware of their rights and duties and be empowered to represent those rights as well as their individual and collective interests through freedom of association. Access to grievance mechanisms is an essential aspect for workers to be able to address human rights violations.

We understand it as our responsibility to do our part to ensure equal opportunities and access to jobs with social security and fair wages for all workers. We do not tolerate gender-based or any other form of discrimination, violence and harassment in our supply chains. We require that health and safety for women and all other workers is assured at every production site.

OUR IMPLEMENTATION

To meet our responsibilities to respect human rights, we have established a due diligence process that helps us identify human rights risks, including gender-specific risks, and supports the development of preventive measures, mitigation and remedy where necessary. Our measures will be updated regularly in our Gender Action Plan. We will continue to incorporate a gender perspective into our due diligence processes and encourage our business partners to do the same.

Integrating gender equality on a corporate level

In order to underline our commitments to gender equality, the ALDI Nord Group of Companies is signatory of the "United Nation (UN) Women's Empowerment Principles Initiative", a joint initiative of UN Women and UN Global Compact. This signature refers to a clear alignment and the integration of gender equality at a corporate level.

³ According to the ILO Convention 190 Gender-based violence and harassment "means violence and harassment directed at persons because of their sex or gender, or affecting persons of a particular sex or gender disproportionately, and includes sexual harassment". Gender-based violence has many different forms like physical or sexual violence, sexual, emotional and psychological violence, sexual coercion, unwanted sexual attention and gender harassment.

Assessing potential negative impacts and increasing supply chain transparency

Transparency is key to understanding the underlying socio-economic dynamics that contribute to unequal gender-relations and being able to initiate responses that address inequality, discrimination and violence. ALDI is committed to regularly conducting risk analyses, which include gender discrimination. We strive to collect additional gender-disaggregated data to understand workforce demographics, their positions, pay gaps and access to collective bargaining at the different levels of production in our supply chains. We are conducting and publishing *Human Rights Impact Assessments*, which include the assessment of ALDI's impact on female workers. This will help us to understand how the companies and its purchasing practices contribute to or impact gender dynamics in our global supply chains. Based on already conducted risk analyses and existing insights from collected data, we will prioritise and implement targeted measures.

Taking action on prevention and mitigation

In line with our due diligence process, we will strive to prevent gender-based discrimination and violence, mitigate these risks and adverse impacts to a possible extent, e.g. through training and implementation of pilot projects on the ground. We aim to remediate violations that have already occurred in our supply chains.

We acknowledge that grievance mechanisms provide a suitable means of identifying adverse impacts at an early stage and play a central role when it comes to gender topics. We aim to support gender equality in worker representation throughout our supply chains and the implementation of safe, effective and gender-sensitive grievance mechanisms. Concepts for pilot projects that improve safe and effective access

to complaint mechanisms for all workers will be developed. These projects will be aligned with the UNGP quality criteria and will address gender-specific needs. The learnings from these pilots will serve as a blueprint for further actions.

Building partnerships and raising awareness

Many of the root causes of gender inequality are difficult to address as a single stakeholder. Collaboration and partnerships are essential for change. We want to strengthen our participations in multi-stakeholder initiatives and our dialogue with business partners, producers, trade unions, women's rights organisations and political stakeholders. We aim to raise awareness and advocate for gender equality, provide training and information for our buying teams, business partners and consumers. We aim to ensure a common understanding of gender equality and to support joint approaches to foster improvements.

ALDI encourages its business partners to identify and address gender-based risks in their supply chains in order to enable appropriate preventative and supporting activities. We will publish guidance papers on the implementation of the principles laid out in this Policy. We will conduct e-learnings to provide detailed information, build awareness and support our business partners in establishing appropriate and equitable processes and management systems.

Monitoring progress and reporting publicly

We will regularly review the effectiveness of our activities and measures, using targeted key performance indicators (KPIs) where possible. As transparency and open communication are significant to our due diligence and accountability, we intend to regularly and publicly report on our findings, progress and learnings as well as on our ongoing projects.

CONCLUSION AND RESPONSIBILITIES

Gender equality is critical to enabling and upholding workers' rights. This is a long-term process that requires a focus on challenges and root causes, as well as multi-stakeholder collaboration.

We will do our part to contribute to gender equality and we commit to the principle of continuous improvement. To be successful and to achieve systemic change and remove obstructing mindsets and

patriarchal structures, all relevant actors, including businesses, political and supply chain stakeholders, must work together.

To ensure transparency and accountability, please find our measures, progress and learnings on our [Human Rights Websites](#) and our international CR websites. We will also review and update this Policy regularly.

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