



Child Labour Policy



February 2021

INTRODUCTION

The ALDI Nord Group of Companies (hereinafter referred to as 'ALDI') is committed to respecting human and subsequently children's rights. ALDI acknowledges that every child has the rights, among others, to a healthy and safe environment with access to education, play and recreation, an adequate standard of living and to be protected from abuse and harm. ALDI does not tolerate child labour in any areas of its operations, including its supply chains. Additionally, ALDI does not tolerate children being exposed to any other risk in production sites used for our products.

This ALDI Nord Child Labour Policy is based on:

- The United Nations Convention on the Rights of the Child (UNCRC)
- International Labour Organization (ILO) Conventions No 138 (Minimum Age) and No 182 (Worst Forms of Child Labour)
- The Children's Rights and Business Principles

ALDI will review and update this policy at regular intervals to ensure compliance with changing laws and regulations.

1. TERMS & DEFINITIONS

Child:

The UNCRC defines a child as: 'Every human being below the age of 18 years unless under the law applicable to the child, majority is attained earlier'.

Minimum working age:

According to the ILO, no person shall work at an age younger than 15, unless exceptions recognised by the ILO apply, or national laws apply, whichever is most stringent.

Juvenile worker:

According to the ILO, a 'juvenile worker' is defined as a worker who has reached the minimum working age but is not yet 18 years old.

Child labour:

According to the ILO, 'child labour' is defined as work that 'deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development'.

This includes:

- Any child below the minimum working age engaged in non-light work, and
- Juvenile workers engaged in hazardous work.

Light work:

In compliance with the respective ILO conventions, UNCRC, national laws and regulations, ALDI permits the work of children aged 13 to 15 years (unless exceptions by ILO or national laws apply, whichever is most stringent) to assist on the family's farm. The work is only permitted if it happens outside of school hours, falls into the category of light work and fulfils the following criteria:

- It must be age-appropriate and must not threaten the child's health or development.
- It must be in line with children's rights. The work should not negatively impact the development and education of the child. It should not compromise their attendance at school or time dedicated to homework, playtime and sleeping time, their participation in vocational orientation or training programmes.
- It must not take place on a continuous basis (e.g. it should only take place after school or during holidays) and must take place under non exploitive conditions.
- It must be supervised by either the child's parents or guardians, who can ensure the tasks provided to children are not harmful to their current and future health development or interfere with their schooling.

Hazardous work:

According to the ILO, 'hazardous work' is defined as any kind of work that might be prejudicial to a person's health, safety, morals, and development including, but not limited to, night shifts, overtime, moving heavy objects, exposure to extreme temperature and noise, and handling dangerous machinery.

Production site:

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.

Where local laws and regulations conflict with, or set a different standard compared to international standards (such as applicable ILO or UN Conventions) the principles that provide the highest protection to children apply.



2. ALDI'S EXPECTATIONS OF BUSINESS PARTNERS REGARDING PREVENTION OF CHILD LABOUR

All of ALDI's business partners must ensure that child labour does not occur at production sites used for ALDI. Business partners and their partners should have respective systems, policies and processes in place. This includes the prevention of children performing work, which is classified as child labour, anywhere within the production site premises, even if carried out on behalf of a third party rather than the production site.

Juvenile workers should not be denied access to the labour market and therefore, business partners should ensure that production sites do not exclude juvenile workers based solely on their age. A sound hiring, positioning of and safe working environment for juvenile workers should also be ensured.

Business partners should ensure that production sites used for ALDI have the following measures in place, at a minimum:

- an employment policy as a basis for hiring decisions at all levels, which explicitly states the minimum age for work and fully respects juvenile workers' rights at work.
- a robust age verification mechanism as part of the recruitment process.¹
- a juvenile worker listing with names, dates of birth and current job position.
- a list of age-appropriate job positions for juvenile workers.

Additionally, business partners must:

- ensure that children below the minimum working age are not placed at any risk at production sites and are not situated in production areas.
- A clear delineation between nonproduction areas (e.g. childcare facilities) and production areas should be ensured.
- inform ALDI proactively of any risks related to child labour at production sites used for ALDI.

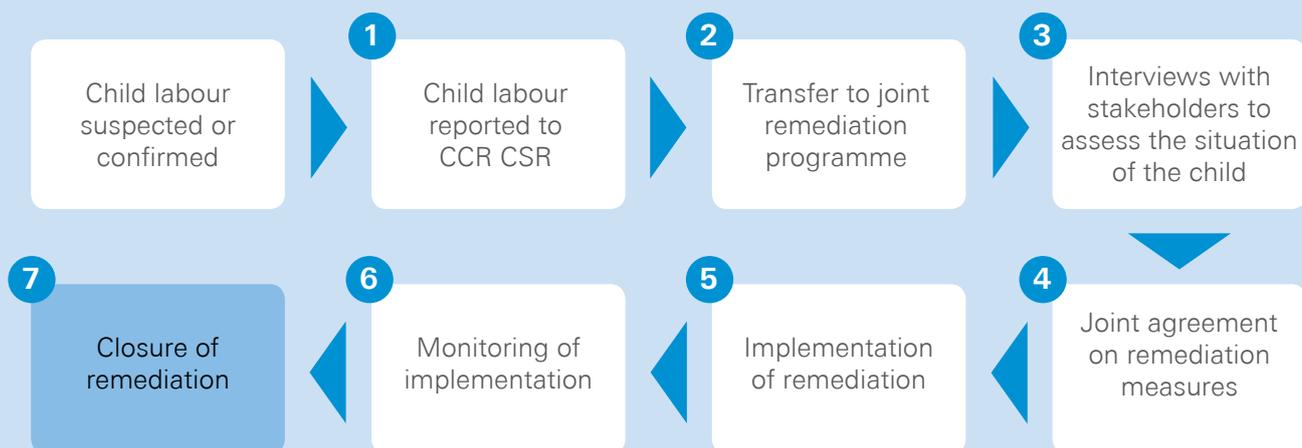
¹As a rule, medical examinations are not an appropriate means of age verification, as accuracy is not guaranteed and they may cause unnecessary stress to the child. Medical examinations may only be performed to establish whether a child has experienced any negative impact through work, and must not be performed against the child's and their guardian's will.

3. PROCESS UPON IDENTIFICATION OF CHILD LABOUR

If child labour is found at a production site producing for ALDI, together with local expert organisations and its business partners, ALDI will seek a solution which is in the best interests of the child and its family. If the child is below the minimum working age, this includes remediation measures such as ensuring that the child is no longer engaged in non-light work, is enrolled in an educational programme and is provided with a living allowance in line with the minimum living costs or minimum wage of the respective region. If juvenile workers are found performing hazardous work, the solution will include measures such as ensuring that the worker is provided with an age-appropriate position. The implementation of these measures will be monitored.

If a child is found performing hazardous work at a production site producing for ALDI, a medical examination of the child will be carried out with consent from the child, without any cost implication to the child. The examination should establish whether the child has experienced any negative impact through the work carried out.

ALDI's business partners will be involved in the remediation and must regularly monitor the remediation progress. Business partners and production sites are required to develop and implement a plan to prevent any future cases of child labour. Production sites must not be used for further ALDI production until the situation has been remediated satisfactorily. In Asia, where the majority of our non-food production facilities are located, we partner with the 'Centre for Child Rights and Business" (The Centre), an international organization specializing in children's rights in global supply chains. If child labour is identified, ALDI will enable the child to participate in a joint remediation program.



4. ALDI'S FURTHER ACTIVITIES TO PREVENT AND ADDRESS CHILD LABOUR

ALDI regularly conducts its own social assessments at production sites producing for ALDI. ALDI also sources a variety of products containing certified raw materials, for example:

- Fairtrade and UTZ/Rainforest Alliance certified coffee, cocoa and fresh fruit,
- Roundtable on Sustainable Palm Oil (RSPO) certified palm oil, and
- Better Cotton Initiative (BCI), Cotton Made in Africa (CmiA), Fairtrade, or Global Organic Textile Standard (GOTS) certified cotton.

All of these standards and initiatives set requirements for the prevention of child labour in supply chains.

To further support business partners in meeting our expectations, ALDI will develop detailed guidelines and training on how to set up or improve systems for the prevention, identification and remediation of child labour. ALDI is committed to find sustainable solutions for tackling child labour, promoting decent working conditions to parents and supporting good quality childcare at production sites used for ALDI. ALDI continues to engage in multi-stakeholder initiatives, carry out child rights risk and impact assessments and run projects to further address the issue of child labour.

The ALDI Nord Child Labour Policy is available in other languages. In case of deviations, the English Version shall prevail.

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