

B Lab Statement on Albert Heijn Nederland's Baseline Requirements

B Lab's independent Multinational Standards Advisory Council determined that to become a Certified B Corp Certification, companies with \$5 billion or more in revenue must meet minimum baseline requirements in addition to the other certification requirements (i.e. adopting stakeholder governance, overall verified score over 80 on B Impact Assessment, passing Disclosure Review process for controversial issues). These additional requirements recognise that the overall scale and influence of these companies also entail higher obligations to society, and are designed to ensure that B Corp Certified multinationals have strong records of performance on important aspects of their social and environmental performance in addition to achieving a score of 80 or above on the B Impact Assessment.

In December 2021, the [Guidelines for Acceptance for the Baseline Requirements](#) were created to provide transparency for stakeholders into the processes that both the B Lab Large Enterprise team and the MNC SAC will use to determine whether a company is meeting the Baseline Requirements or not. As companies undergo a formal review by the MNC SAC, these Guidelines ensure consistency in the review process and the creation of precedents that demonstrate concrete actions that companies can undertake to meet each individual Baseline Requirement.

Summary of Company

Albert Heijn, was founded in 1887 in the Netherlands, and its Parent Company Ahold Delhaize is also headquartered in the Netherlands. Albert Heijn is a Dutch food and beverages retailer and is the leading supermarket chain in the Netherlands with over [1250 supermarket stores](#) in the Netherlands and Belgium¹ and employs over 125,000 employees.

Company Actions towards meeting the Baseline Requirements

1. Reporting: An annual, comprehensive impact report transparent to the public using a third-party standard (GRI, BIA, etc).

Albert Heijn releases a comprehensive [online annual report](#) that covers all relevant facets of the company's social and environmental performance and is transparent to the public and to GRI standards.

2. Materiality Assessment: A transparent materiality assessment and stakeholder engagement process, conducted on a regular basis (minimum every other year with mechanisms for intermediate updates as appropriate), and used to identify relevant megatrends and material topics to the company, that includes a transparent grievance / complaint mechanism, and that is overseen by the Board of Directors.

Albert Heijn conducts a materiality assessment every two years and since 2022 the company has conducted a double materiality assessment which includes the following stakeholders: customers, colleagues, franchisees, suppliers, farmers and growers, governments, partners, civil society organisations, industry and employer organisations, and scientific and knowledge institutes. The

¹ The Belgium operations are out of scope of Albert Heijn Nederland's B Corp certification.

last materiality assessment was reported in the company's 2022 sustainability report² with the next to be published in the 2024 report. In between materiality assessments, the company conducts stakeholder monitoring.³ Albert Heijn uses their parent company SpeakUp! line as their grievance mechanism, which is linked on Albert Heijn's [Human Rights Webpage](#). Ultimately the Sustainability and Quality department is accountable at the Albert Heijn level for resolving grievances received related to its supply chain. Other grievances will be resolved by the relevant department e.g. HR or the Safety and Aftercare team. The company meets the oversight requirements as it was confirmed that the results of the 2022 double materiality assessment was shared with the Ahold Delhaize Executive Committee for approval.

3. Materiality Issue Management: Management strategies on the most material issues relevant to the business that are overseen by the Board of Directors, and includes specific, aspirational performance goals, and demonstrated progress towards those goals. Management strategies and performance goals must be made transparent to stakeholders.

A list of Albert Heijn's Aspirational Goal Review is as follows:

Goal 1: CO2 Scope 3:

- 45% CO2 Scope 3 reduction in 2030 (2018 baseline)
- Net zero Scope 3 emissions in 2050

Goal 2: Human Rights:

Albert Heijn commits to create a movement with suppliers to improve human rights in its supply chains through pioneering initiatives on its main commodities. This will be implemented by 2030 through a holistic, shared responsibility approach, based on continuous due diligence, with key milestones on social compliance, cocoa and fresh fruits & vegetables.

Aspirational Goal: Social Compliance

- By the end of 2024, we require all our own brand suppliers to have an amfori BSCI audit (or equivalent) in place for production locations in both high and medium-risk countries (Italy, Spain, etc.). By end 2030 we aim to achieve 100% compliance on this approach and will no longer accept suppliers who do not comply.
- By the end of 2024, we require all our own brand suppliers to have an amfori BSCI audit (or equivalent) report, without critical, crucial and/or major non-compliances, in place for production locations in medium- and high-risk countries. By end 2030 we aim to achieve 100% compliance on this approach and will no longer accept suppliers who do not comply.

Aspirational Goal: Cocoa Human Rights

- By 2028, Albert Heijn's entire assortment of own brand products containing cocoa will be sourced via the Tony's Open Chain, and the cocoa will be produced following the 5 Sourcing Principles.

² [Albert Heijn 2022 Sustainability Report, Page 12](#)

³ Through annual stakeholder days to share targets, discuss challenges and receive feedback from stakeholder. The company also gathers stakeholder perception through Beter Eten Customer Research and through 6-weekly Sustainability Community meeting with their strategic suppliers and sourcing managers have yearly performance and feedback checks with suppliers.

Aspirational Goal: Fruit and Vegetables Human Rights

- By 2030, all international Albert Heijn suppliers of fresh fruit and vegetables will be implementing a comprehensive approach to farming and doing business that fosters ecological balance, enhances worker and community livelihoods and supports a sustainable food system.

Goal 3: In partnership with WWF - [The Basket Blueprint for Action](#): Albert Heijn commits to a scientifically substantiated and holistic program to halve the ecological footprint of the food system in the Netherlands in 2030⁴

1. Climate

- a. Achieved greenhouse gas (GHG) emissions reduction across all scopes in line with 1.5-degree Science Based Targets initiative (SBTi).

2. Deforestation & Land Conversion

- a. 100% deforestation and conversion-free agricultural commodity supply chains by 2025, with a cut-off date of no later than 2020 (existing earlier cut-off dates should be upheld).
- b. 100% deforestation and conversion-free supply chains of suppliers and first importers by 2025, with a cut-off date of no later than 2020 (existing earlier cut-off dates should be upheld).

3. Agriculture

- a. 100% of fresh meat, dairy and eggs are produced following 'robust' environmental standards and certifications.
- b. At least 50% of unprocessed fresh fruit & vegetables are certified or covered by 'robust' environmental standards and certifications.
- c. 50% of material high impact commodities are certified against 'robust' environmental standards and certifications.
- d. 70% of unprocessed fresh fruit and vegetables sourced from higher risk water areas, are sourced from farms / areas with sustainable water management.

4. Fish and Seafood

- a. 100% wild-caught and farmed seafood from sustainable sources.
- b. 100% feed in farmed seafood from sustainable sources.

5. Diets

- a. 60:40 plant/animal protein sales split.

6. Food Waste

⁴ Albert Heijn considers the overarching ambition of the Basket as a single aspirational goal which could also be considered as the company setting 7 individual goals related to the areas of the basket.

- a. 50% reduction of food loss and waste in own operations and at own brand Dutch Fruit & Vegetables suppliers while enhancing consumers' ability to make informed decisions about food waste (i.e., whether food is still right for consumption) at home.

7. Packaging

- a. 15% reduction of virgin and/or fossil material compared to 2021.
- b. Maximise % of recycled content in packaging:
 - i. Quantitative targets for recycled content in plastic packaging:
 - 1. 50% in contact sensitive plastic packaging (PET as major component).
 - 2. 25% in contact sensitive plastic packaging (all other than PET).
 - 3. 65% in single use plastic beverage bottles.
 - 4. 65% in other plastic packaging.
 - ii. For other materials:
 - 1. Maximise % of recycled content in paper / cardboard / wood packaging.
 - 2. Maximise % of recycled content in metal (steel / aluminium) and glass packaging
 - iii. 100% virgin / fossil materials sustainably sourced.
 - 1. 100% FSC certified paper / cardboard / wood.
 - 2. 100% sustainably sourced metal (steel / aluminium) and glass.
 - iv. 100% designed for recycling
 - v. The top ten types of supermarket packaging that are often littered, are reusable, biodegradable or part of a deposit return system.
 - vi. Surroundings of all supermarkets (minimum 25 meter) are litter-free.

4. Tax & Government Affairs Disclosure: A disclosure statement on the company's tax philosophy / approach and government affairs (lobbying / advocacy) including the company's overall effective tax rate, that is overseen by the Board of Directors.

Albert Heijn follows their parent Ahold Delhaize's Government Affairs and tax policies. The tax policy includes information on their approach towards compliance, transparency, effective tax rate, and tax risks, and outlines key stakeholders with whom they engage. Ultimately the CFO at Albert Heijn is accountable for the tax policy, however, the accountability, decisions on policy and application are at the parent level, which is based in the same tax jurisdiction.

The Government Affairs Policy includes principles for responsible lobbying, contributions, associations with trade industry, political activities and public policymakers. Rollout of the practices detailed in the government affairs policy is completed via mandatory and regular Code of Ethics training. Annually Albert Heijn discloses a list of contacts with external stakeholders and the content of these contacts including policymakers and industry trade associations in their

sustainability report⁵. At the parent level, the Government Affairs policy is accountable to the Chief Legal Officer (CLO) and at the Albert Heijn level, the Public Affairs & Stakeholder Management team that oversees the Government Affairs policy rollout and implementation at Albert Heijn reports to the Albert Heijn Board member on Sustainability and Quality, Anita Scholte op Reimer, and she reports directly to the CEO, Marit van Egmond. The CEO then reports biannually to the parent company, Ahold Delhaize.

5. Human Rights Policy: A specific human rights policy that is overseen by the Board of Directors, and includes EITHER an explicit commitment to key human rights covenants (including the UN Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, and ILO Principles), OR identifies the most salient human rights issues relevant to the business and its overall operations through a human rights risk assessment.

The company has taken the second pathway by identifying the most salient human rights issues through a Human Rights Risk Assessment undertaken by its parent company. Ahold Delhaize has published its first Human Rights Report including an analysis of salient issues in 2020 and has published a [2024 Human Rights Report](#) which identifies their salient impacts. The outcomes of both reports, including the salient issues, are also applicable to Albert Heijn as the company reports that the supply chains of all Ahold Delhaize banners were considered, and used as a basis for this analysis. Albert Heijn was a key stakeholder, alongside Ahold Delhaize's other brands, who provided input into the risk assessment process. Albert Heijn also provides annual in-depth product risk assessment information to their parent. Ahold Delhaize's grievance mechanism via their SpeakUp! line is available publicly through Albert Heijn's webpage.

At the Albert Heijn level, roll-out of the parent's approach to human rights can be seen through the requirement that all suppliers must sign the [Standards of Engagement](#) which sets out the minimum standards for suppliers in protecting human rights and the environment. Additionally, Albert Heijn requires all own-brand suppliers who produce in high and medium -risk countries to complete a social audit by amfori Business Social Compliance Initiative (BSCI) (or equivalent), and achieve a minimum level (as described in the aspirational goals above).⁶

Accountability at the Albert Heijn level is ensured via 4 weekly presentations to the CEO and Albert Heijn Board. Additionally, a Quarterly Executive Summary is created for the Albert Heijn Board and Ahold Delhaize leadership.

Conclusion

On October 15th 2024, the Multinational Standards Advisory Council determined that Albert Heijn's actions meet the Baseline Requirements. Albert Heijn's Baseline Requirements will be reviewed including progress on their Aspirational Goals.

⁵ [Albert Heijn 2023 Sustainability Report, Page 149](#)

⁶ [Albert Heijn 2023 Sustainability Report, Page 50,](#)