



HANNAFORD SUPERMARKETS

HANNAFORD RESPONSE TO BUSINESS & HUMAN RIGHTS RESOURCE CENTRE

Hannaford recognizes that migrant workers are vulnerable throughout supply chains worldwide, particularly in agriculture, and takes reports of abuse such as these very seriously. We have a long-standing commitment to protecting and promoting human rights, including throughout our supply chain, and as such, require all of our suppliers to comply with our Standards of Engagement, which are similar to a code of conduct. Our Standards of Engagement include provisions for how suppliers must treat and compensate workers, provisions on workplace health, safety, and housing. Similarly, they prohibit discrimination, child labor, precarious employment and forced labor.

Hannaford has been actively engaged with our dairy supply chain for years, partnering with our milk suppliers, the National Milk Producers Federation and the Innovation Center for U.S. Dairy to both assess and assure compliance and responsible farm management across our private brand dairy supply chain. This tool we are asking our suppliers to deploy, Farmers Assuring Responsible Management (“FARM”) is currently being utilized by more than 3,000 farms across the country. Using the FARM assessment, which includes modules on environmental practices, animal welfare and workforce conditions, our suppliers have assessed working conditions at 70 of Hannaford’s private label milk suppliers across our marketplace. While this work is ongoing, to date these assessments have covered more than 500 farm workers. Any findings are addressed with farmers in real-time. Importantly, an independent third-party auditor has been identified and is being onboarded for the purpose of confirming that the second party FARM assessments accurately reflect working conditions on farm. In the event of a serious finding reported to us, Hannaford policy requires the suspension of our commercial relationship with the supplier until the issue has been remediated and re-assessed.

In response to the complaints reported beginning last year through Hannaford’s Speak Up line, which is staffed by an independent third-party to assure anonymous and confidential reporting, we required our private brand supplier to investigate each complaint, including through farm visits in some cases. Hannaford’s supplier has reported to us that they have not substantiated any of the complaints. Indeed, our supplier reports that the majority (60%) were either not specific to a particular farm or concerned an incident or conditions on farms outside of Hannaford’s private brand dairy supply chain.

Hannaford strongly supports the fair, safe and humane treatment of agricultural workers—and is dedicated to ethically and sustainably sourced products in our supply chain. However, the concerns and issues facing agricultural workers are systemic, complex and extend well beyond our private label dairy supply chain located solely in the state of Vermont. Migrant Justice proposes a program narrowly focused geographically and on a small subset of the stakeholders involved. Because of the complexity and scope of these issues, we do not feel Migrant Justice’s approach is scalable, nor can these issues be solved by a patchwork of loosely confederated programs working independently of the rest of the stakeholders. Rather, Hannaford is fully committed to working collaboratively with its direct suppliers, the dairy cooperatives, farmers



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and farm workers making up this supply chain, to ensure the human rights integrity of our supply chain and the respect and fair treatment of farm workers within it.

Finally, after three years in operation, Migrant Justice's own published statistics show that they have lost farm and farmworker participation in the Milk with Dignity program and that many of the remaining farms do not employ migrant workers who would qualify for the program. Simply put, Hannaford firmly believes that Migrant Justice's Milk with Dignity program is too limited to make the progress we are actively working towards. For these reasons and others, Hannaford chooses to continue to work broadly across all stakeholders to promote and assure fair and legal treatment of the migrant workers within its private brand dairy supply chain.

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