PROGRESS REPORT 2022

CORPORATE RESPONSIBILITY PERFORMANCE



ALDI SÜD Group 2023

OUR APPROACH

With our Vision 2030 of "Making sustainability affordable to our customers" developed in 2019, we paved the way to become a frontrunner in offering sustainable products at the best price. Sustainability must not be a luxury; we want to make sustainable products available at a discount price for all our customers around the world. Guided by this Vision, we externally communicated our first International Corporate Responsibility Strategy in the beginning of 2021 and published clearly defined Objectives, Actions, and Roadmaps for our day-to-day activities.

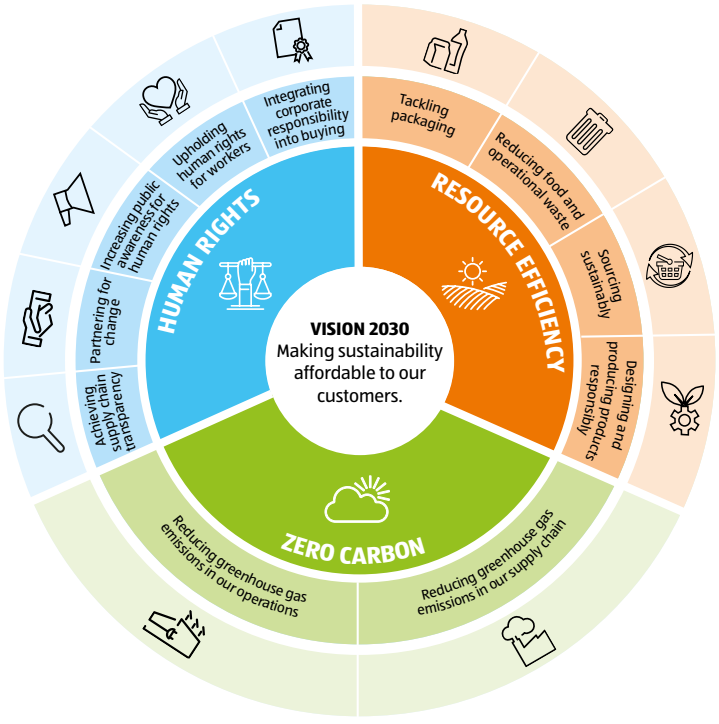
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By measuring our strategic performance on a regular basis, we can validate the effectiveness of our actions and highlight the areas where we are already making strong progress and identify the areas where further action is still required. As a global retailer, we want to use our global buying power and market influence to create lasting change for a better future. We focus our activities on high-priority raw materials and commodity groups.

REPORTING SCOPE:

- All reporting is based on our own-brand products only. Branded products are excluded.
- The ALDI SÜD Group's Corporate Responsibility (CR) performance in the area of Resource Efficiency is reported excluding some national operations due to a transition of IT systems.

Information on the performance of the ALDI SÜD Group in the areas of "Giving all customers access to healthy products" and "Supporting local communities" can be found on the ALDI SÜD Group national websites.



HUMAN RIGHTS

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OBJECTIVES	STATUS	TARGET
ACHIEVING SUPPLY CHAIN TRANSPARENCY		
Increasing traceability of six supply chains	■■□	2025
Increasing transparency of six supply chains	■■□	2026
Conducting twelve human rights impact assessments (HRIA)	■■□	2025
PARTNERING FOR CHANGE		
Strengthening and establishing partnerships in our high-priority supply chains	■■□	2025
INCREASING PUBLIC AWARENESS FOR HUMAN RIGHTS		
Being an advocate for human rights	■■□	2025
UPHOLDING HUMAN RIGHTS FOR WORKERS		
Implementing capacity-building activities across our high-priority supply chains	■■□	2025
Aligning our CR requirements and processes with the UNGPs	■■□	2025
Providing workers in all high-priority supply chains access to a grievance mechanism (1) and remedy (2)	■■□	(1) 2025 (2) 2030
INTEGRATING CORPORATE RESPONSIBILITY INTO BUYING		
Presenting CR performance metrics for all high-priority supply chains in a Buyer's Scorecard	■■□	2026
Implementing responsible purchasing practices across selected high-priority supply chains	■■□	2030
Integrating all high-priority supply chains into our CR Supplier Evaluation (CRSE)	■■□	2027
Sourcing 80% of buying volume from responsible suppliers	■■□	2030

■□□ Started ■■□ In progress ■■■ Achieved ∞ Ongoing

Please find more detailed information on our International Responsibility Website »



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PERFORMANCE

	2020	2021	2022	STATUS	TARGET
Social Monitoring Programme (SMP): Monitor compliance with social standards	Since 2018, integration of all high-priority non-food supply chains Since 2020, integration of all high-priority food supply chains			■■■	All high-priority supply chains
Human Rights Impact Assessments: Food and Non-food high priority supply chains	-	3	2	■■□	12 by 2025
ALDI Social Assessments: Evaluation of Non-food production facilities	304	263	284	∞	-
ALDI Producer Assessments: Audits of food farms and plantations	20	62	125	∞	-
Corporate Responsibility Supplier Evaluation (CRSE): Integration of non-food business partners	• Garment textiles • Shoes	• Garment textiles • Shoes • House-hold textiles	• Garment textiles • Shoes • House-hold textiles	■■□	All high-priority supply chains
Corporate Responsibility Supplier Evaluation (CRSE): Integration of food business partners	• Bananas • Pine-apples	• Bananas • Pine-apples	• Bananas • Pine-apples • Fresh produce • Fish & Seafood (pilot)	■■□	

■□□ Started ■■□ In progress ■■■ Achieved ∞ Ongoing

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RESOURCE EFFICIENCY

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OBJECTIVES	STATUS	TARGET
TACKLING PACKAGING		
Reducing own-brand packaging weight by 15%	■■□	2025
Making all own-brand packaging reusable, recyclable or compostable	■■□	2025
Increasing the recycled content used in our plastic product packaging to 30%	■■□	2025
Reducing the amount of virgin plastic in our-own brand packaging by 40% (international products only)	■□□	2025
REDUCING FOOD AND OPERATIONAL WASTE		
Diverting 90% of food and operational waste from landfill or incineration	■■□	2030
SOURCING SUSTAINABLY		
Increasing the number of sustainable products by an additional 10%	■■■	2025
Ensuring good water stewardship practices	■□□	2030
Eliminating overfishing, bycatch and ecosystem damage in our fish and seafood supply chains	■■□	2030
Eliminating deforestation and conversion of natural ecosystems from our high-priority supply chains	■■□	2030
DESIGNING AND PRODUCING PRODUCTS RESPONSIBLY		
Verifying the chemical management performance of all strategic production facilities for garment, home textile and shoes	∞	2025
Introducing closed-loop products into product ranges	■■□	2030

■□□ Started ■■□ In progress ■■■ Achieved ∞ Ongoing

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RESOURCE EFFICIENCY

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	2020	2021	2022	STATUS	TARGET
PERFORMANCE					
SUPPLY CHAINS					
Chemicals in production: Wet production facilities used with compliant wastewater and sludge analysis	88%	97%	89%	∞	-
Cocoa: Products containing certified cocoa*	89%	99%	99%	■■■	100%
Coffee: Certified coffee products*	-	75	79%	■■□	Steady increase
Cotton: Sustainable cotton tonnage	50%	63%	70%	■■□	100% by 2025
Eggs: Shell eggs from cage-free supply chains**	44%	48%	59%	■■□	100% by 2025
Fairtrade: Certified products (including Fairtrade-sourced ingredients)*	401	389	365	∞	-
Fish & seafood: Responsibly sourced fish and seafood	95%	99%	90%	■■■	100%
Palm (kernel) oil: Certified palm (kernel) oil in products	100%	100%	99%	■■■	100%
Soy: Soy with a low risk of deforestation***	59%	41%	49%	∞	-
Timber: Certified/recycled wood-based own-brand products	84%	92%	95%	■■□	100%
Tropical fruit: Certified bananas and pineapples sold in European and US stores	100%	100%	100%	∞	-
PACKAGING					
Recyclability: Reusable, recyclable or compostable own-brand packaging	60%	66%	66%	■■□	100% by 2025
Material reduction: Own-brand product packaging material (in relation to sales)	-	-2.5%	-12%	■■□	-15% by 2025
Recycled plastics: Recycled content in own-brand plastic packaging	-	13%****	15%	■■□	30% by 2025
Virgin plastic reduction: Virgin plastic in own-brand plastic packaging	-	No data available	Data under verification	■□□	-40% by 2025
WASTE					
Food waste diverted from landfill or incineration	-	58%	60%	■■□	90% by 2030
Operational waste diverted from landfill or incineration	-	88%	89%	■■□	

* excl. CN, HOFER, AU, ** excl. CN, AU
*** European countries only
****Amendment to figure reported previously (18%) due to a verification in the calculation methodology

■□□ Started ■■□ In progress ■■■ Achieved ∞ Ongoing

ZERO CARBON

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	STATUS	TARGET
OBJECTIVES		
REDUCING GREENHOUSE GAS EMISSIONS IN OUR OPERATIONS		
Reducing our operational GHG emissions by 26%	∞	2025
REDUCING GREENHOUSE GAS EMISSIONS IN OUR SUPPLY CHAINS		
Encouraging our suppliers to set science-based targets	■■□	2024
Implementing carbon reduction projects in selected supply chains	■□□	2025

	2020	2021	2022	STATUS	TARGET
PERFORMANCE					
Company Carbon Footprint: Reduction of operational greenhouse gas emissions	-31%	-38%	Reporting on performance at the end of the year	■■■	-26% by 2025 (baseline 2016)
Carbon-neutrality of ALDI SOUTH Group countries	7	7		■■□	Net Zero Carbon
Electricity from renewable energy sources	90%	95%		∞	-
Refrigeration: Stores using more environmentally-friendly refrigerants	87%	91%		■■□	100% by 2025

■□□ Started ■■□ In progress ■■■ Achieved ∞ Ongoing

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