PROGRESS REPORT 2023

GLOBAL SUSTAINABILITY STRATEGY



ALDI SÜD Group 2024

SUSTAINABILITY IS AT THE HEART OF OUR CORPORATE STRATEGY

At ALDI, we are proud to be one of the biggest and most successful retailers worldwide – serving customers across 11 different marketplaces in over 7,000 stores with more than 200,000 employees. We firmly believe that sustainably sourced products should be accessible to everyone. With this in mind, we work in close cooperation with both our business partners and the retail industry. By understanding our supply chains and investing in these partnerships, we are shaping the business for the future.

The Global Sustainability Strategy is an essential pillar of ALDI's Global Business Strategy and highlights the increasing importance of sustainability for the Group. It focuses on those sustainability challenges and opportunities which are most material for ALDI. Its six dimensions support actions for nature, people, and health.

REPORTING SCOPE:

- All reporting is based on our own-brand products only. Branded products are excluded.
- The ALDI SOUTH Group's Sustainability performance 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 "Health & Nutrition" and "Communities" can be found on the ALDI SÜD Group national websites.

» More





Human Rights

Objective: Embed human rights in our business strategy and buying processes to ensure legal compliance

Introduction

Human Rights are an important dimension of ALDI's Global Sustainability Strategy, since the way we operate, purchase goods, and the business partners we choose could impact human rights across our own operations and supply chains.

KPIs Global – 2023

SUCCESS METRIC	STATUS PROGRESS	CHANGE (YEAR-ON-YEAR)
Conduct 12 Human Rights Impact Assessments by 2025	7/12 (Target: 12)	+5
Source 80% of BV from A/B rated suppliers in the High-Priority Commodity Groups (HPCGs)* in scope of the CR Supplier Evaluation (CRSE) by 2030	76% (Target: 80%)	+19%

* High Priority Commodity Groups: Tropical Fruit & Produce from Italy and Spain, Cocoa, Coffee, Fish & Seafood, Nuts, Tea, Garment Textiles, Shoes, Household Textiles, Toys. Progress measure is with reference to those HPCGs where CRSE was already rolled out in 2023 (08-58-08 Banana, 08-58-07 Pineapple, Fashion Textile / Garment 13-14-13-17, Shoes 13-36).

Completed | In progress – close to completion | In progress | In progress - off track | Not commenced



Climate

Objective: Achieve net-zero greenhouse gas (GHG) emissions

Introduction

We are aware that our business activities have a significant impact on the climate and the environment. The ALDI SÜD Group is working towards net-zero by reducing carbon emissions in our own operations and along our supply chains.

KPIs Global – 2022

SUCCESS METRIC	STATUS PROGRESS	CHANGE (YEAR-ON-YEAR)
Reduce Scope 1+2 emissions by 90% (net-zero) by 2035 vs. 2021 baseline	20% (Target: 90%)	+20%
Encourage strategic suppliers (responsible for 75% of product-related emissions) to set science-based emissions targets by 2024	26% (Target: 75%)	+4%

Completed | In progress – close to completion | In progress | In progress - off track | Not commenced

Agriculture

Objective: Protect and restore nature

Introduction

Agriculture is one of the biggest drivers of biodiversity loss and a major contributor to greenhouse gas emissions. At the ALDI SÜD Group, our business is connected to many global food systems, and we have made environmental stewardship one of the cornerstones of our sustainability strategy.

KPIs Global – 2023

SUCCESS METRIC	STATUS PROGRESS	CHANGE (YEAR-ON-YEAR)
All our bananas and pineapples sold in European and US stores certified by a sustainable agriculture standard by end of 2023	100% (Target: 100%)	n/a Already achieved in 2022
100% of our own-brand fish and seafood are responsibly sourced	88% (Target: 100%)	-2%

Completed | In progress – close to completion | In progress | In progress - off track | Not commenced

Food Waste

Objective: Minimise food waste in our operations and value chains

Introduction

Food waste has a huge impact on our environment. Globally, it contributes as much to greenhouse gas emissions as road transportation. The ALDI SÜD Group has set ambitious goals to reduce food waste to improve food security, address climate change, and protect our natural environment.

KPIs Global – 2023

SUCCESS METRIC	STATUS PROGRESS	CHANGE (YEAR-ON-YEAR)
90% diversion of food and operational waste from landfill and incineration by 2030	83% (Target: 90%)	-1%

Completed | In progress – close to completion | In progress | In progress - off track | Not commenced

Circularity and Sustainable Packaging

Objective: Achieve sustainable packaging and contribute to a circular economy

Introduction

Packaging is an indispensable part of our everyday lives, helping us to deliver quality products to our customers. It keeps food fresh, makes it easier to handle, and prevents food waste. It is important to consider the way in which we buy, use, and dispose of packaging. The ALDI SÜD Group is working towards more sustainable packaging in the areas of material reduction, recyclability, and recycled content.

KPIs Global – 2023

SUCCESS METRIC	STATUS PROGRESS	CHANGE (YEAR-ON-YEAR)
100% of packaging reusable, recyclable or compostable by end of 2025*	77% (Target: 100%)	+11%
30% recycled content in plastic packaging by the end of 2025 (on average)*	13% (Target: 30%)	-2%
15% reduction of packaging weight in relation to sales vs. 2020 by end of 2025**	17% (Target: 15%)	+2%

* To ensure accuracy, only products with complete packaging data are included in the calculation for our recyclability and recycled plastic KPIs.
** To ensure genuine progress is reported against our total packaging weight reduction KPI, we have applied an inflation adjustment as this KPI is relative to sales. For this KPI, both actual packaging data and estimated data (where actual data is not available) are included in the calculation to ensure that a full packaging footprint is considered.

Completed | In progress – close to completion | In progress | In progress - off track | Not commenced

Animal welfare

Objective: Achieve an improved minimum animal welfare standard for all core species across the ALDI SÜD Group

Introduction

Meat, dairy and eggs are some of the core products sold by the ALDI SÜD Group, which is why we are committed to delivering better animal welfare standards across our markets.

KPIs Global – 2023

SUCCESS METRIC	STATUS PROGRESS	CHANGE (YEAR-ON-YEAR)
100% of shell eggs from cage-free production (exemption: US, CN, HU) by 2025	 95% (Target: 100%)	+8%

Completed | In progress – close to completion | In progress | In progress - off track | Not commenced

ALDI SÜD KG
Moserstraße 42
A-5020 Salzburg
VAT Reg. No.: ATU24963706
Commercial register: FN 26451z, Regional Court of Salzburg

First Edition: 11/2024

Contact:
sustainability@aldisuedgroup.com

Please visit sustainability.aldisuedgroup.com for more information on our international sustainability activities.