

ALDI Nord

SUSTAINABILITY REPORT 2023

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FOREWORD

DEAR READERS,

Over a period of more than 111 years, the ALDI Nord Group has been offering high-quality products at the lowest possible price – this is what defines us as inventor of discount retailing. Our customers' needs are at the heart of everything we do. We provide an affordable and balanced product range and enable our customers to purchase high-quality products simply and easily every day.

Currently, we are facing increased regulatory challenges in our day-to-day work. The due diligence requirements are set out in a range of regulatory frameworks such as the German Supply Chain Act (LkSG) on a national level in Germany. At European level, the legislation forming part of the EU Green Deal is made up of the EU Deforestation Regulation (EUDR), the Corporate Sustainability Reporting Directive (CSRD), and the Corporate Sustainability Due Diligence Directive (CSDDD). All these requirements are being integrated into our existing processes without compromising the efficiency that defines and strengthens our business. We take responsibility for the verified implementation of social standards in the countries of production and for the careful use of natural resources.

Furthermore, we are acutely aware of the challenges confronting many of our customers across Europe: persistent inflation, the cost-of-living crisis, health concerns, and a general sense of insecurity. In the eight European countries where we operate, we aim to provide everyone, regardless of their financial means, with the essentials they need for their daily lives. Our customers are entitled to shop with a clear conscience, and we take responsibility for the quality and safety of our products.

Simple. Responsible. Reliable. In the spirit of the values of the ALDI Nord Group, we will continue to act conscientiously and responsibly towards society and the environment.

After nine years of voluntary sustainability reporting, the Sustainability Report 2023 will be our last report in this format. In future, we will focus on comprehensively reporting in accordance with CSRD.



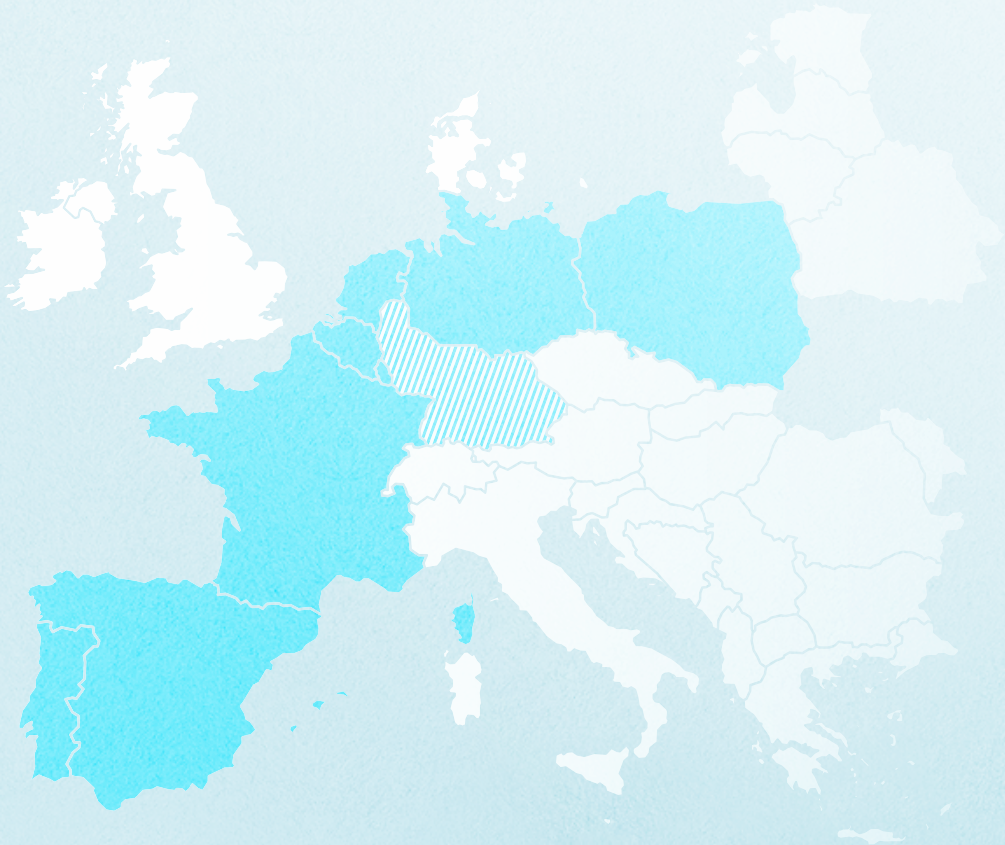
Sarah Dreckmann
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Corporate Responsibility Quality Assurance (CRQA)
ALDI Einkauf SE & Co. oHG

COUNTRIES

FROM THE RUHR VALLEY TO EUROPE

GRI 2-1, 2-6 The ALDI brand is an unrivalled hallmark for the success of the discount principle. Our story starts in the Schonnebeck neighbourhood of the city of Essen in Germany. Over the past decades, a small food store has grown into the ALDI Nord Group, which is represented in a total of eight European countries with 61 independent regional companies. All of them aim to set benchmarks for price and quality while also meeting our stakeholders' expectations when it comes to sustainability. The ALDI Nord CR Agenda includes our international goals and applies throughout the ALDI Nord Group. The ALDI companies in each country select different focal points.

Click on the map or the menu to learn more about our national CR activities and flagship projects.



Countries

- Belgium
- France
- Germany
- Luxembourg
- Netherlands
- Poland
- Portugal
- Spain

Optimising packaging and tackling food waste – ALDI Belgium and ALDI Luxembourg

ALDI Belgium and ALDI Luxembourg take a holistic view of sustainability from eco-friendly packaging to reducing food waste, through renewable energy to a responsible product range.

385 STORES DONATED SURPLUS FOOD TO CHARITIES

This represents an increase of 38 percentage points compared to the project launch in 2018. In 2023, we worked with food banks to create a video informing our customers about ALDI's initiatives in the battle to eradicate food waste.



19.5% CO_2E EMISSIONS HAVE BEEN ELIMINATED SINCE 2020

We achieved this by reducing the use of fossil energy sources like gas and other fossil fuels, and switching to more renewable energy (solar panels). A further step involved converting our cooling systems from synthetic coolants to natural coolants.

ALDI Belgium in profile

Regional companies	7
Stores	442
Total ALDI employees	7,713
Year of market entry	1976
Website	www.aldi.be

ALDI Luxembourg in profile

Regional companies	1
Stores	21
Total ALDI employees	191
Year of market entry	1991
Website	www.aldi.lu



Our stores continue to optimise product packaging. One example is replacement of the plastic bag on our ALDI Délipain brioches with a smaller flow pack. We also removed the metal clip and these two measures resulted in annual savings of 1,460 kilogrammes of plastic and metal. Improvements were also made on the recyclability front by eliminating black carbon plastic and identifying the remaining non-recyclable packaging for replacement as soon as possible.

In 2023, 385 of our stores donated surplus food to charities, representing an increase of 38 percentage points compared to the project launch in 2018. We try to donate as many edible products as possible to food banks. This focus was highlighted by organising a workshop for our district managers at all ALDI Belgium regional headquarters.

In 2023, our CO_2e emissions were reduced by 19.5 per cent compared to 2020. All refrigeration and freezing equipment in our stores and distribution centres are to operate with natural refrigerants so as to achieve further emission reductions by 2030. In the reporting year, all of our freezers and approximately 20 per cent of our in-store refrigeration units had already been upgraded. Four of our seven distribution centres are also using entirely natural coolants. In addition, we equipped over 138 stores with solar panels, and 7.8 per cent of the total energy consumed was covered by our own generated solar energy.

Workshops were organised with category managers and Fairtrade Belgium in 2023 with the aim of exploring opportunities to expand our assortment with Fairtrade-certified products. In 2023, the Belgian retail commitment to living wages in the banana sector came into effect. This is an initiative introduced by a retail coalition to close the living wage gap for banana workers by 2027.

ALDI France: working towards optimised packaging and reduced energy consumption

The main focus of ALDI France's sustainability work has been to reduce and optimise packaging through various projects and to cut down energy consumption.

ALMOST 48,000 PALLETS WERE REPAIRED DIRECTLY AT OUR CENTRES AND REINTRODUCED INTO OUR PALLET FLEET

In order to reduce the number of new pallets purchased, damaged pallets were repaired, and unusable pallets were recycled to minimise loss and waste.



100% OF SELECTED FRENCH FRUIT ARE CERTIFIED VERGERS ECORESPONSABLES

This covers apples, pears, peaches, apricots, and nectarines. The fruit is harvested by hand and preference is given to organic methods. Biodiversity is preserved as a result, and water is used sparingly.

ALDI France in profile

Regional companies	13
Stores	1,294
Total ALDI employees	14,814
Year of market entry	1988
Website	www.aldi.fr

In 2023, the focus for greater sustainability at ALDI France was on more sustainable packaging and savings in energy consumption.

Two packaging projects were pursued in France during the course of 2023. The impact of our sourcing, bleaching, and printing was reduced by establishing new requirements for our shelf-ready packaging cardboard. These measures included FSC certification, chlorine-free bleaching, acrylic varnish, and minimum print rate. This action also improved recyclability. These requirements were shared with our supplier in late 2023 for deployment in 2024. Our second packaging project created new criteria for our fresh meat and fish core product trays with a maximum tray size to reduce plastic use. We also banned non-recyclable materials such as polystyrene and multi-material, and removed black carbon from our fresh beef trays. The new specifications were communicated to our suppliers at the end of 2023 in time for new contracts in 2024.



From 2022 until 2023, ALDI France implemented measures to reduce energy consumption. We have been working on three areas of improvement: reducing energy consumption without disrupting operations, increasing electricity generation and associated energy autonomy in stores and warehouses, and optimising energy purchases of electricity and gas. Some measures were already implemented such as optimisation of lighting times, installation of occupancy sensors, and improved maintenance services for energy-intensive equipment.

An internal audit was conducted in cooperation with an external party to reduce our food waste. In addition to donating surplus food to national and local NGOs, some regions have established partnerships for recycling and recovery.

Dedication to food – ALDI Nord Germany's engagement with food waste and organic products

In 2023, ALDI Nord Germany focused on its core competence: dedication to great food. We therefore committed to new goals for reducing food waste and achieving higher standards in our organic range.



19 PRODUCTS BOAST THE NATURLAND LABEL

We want to provide our customers with Naturland certified articles throughout our food assortment. So far, mainly fruit and vegetables, and dairy products bear the label introduced in 2023.

PACT AGAINST FOOD WASTE

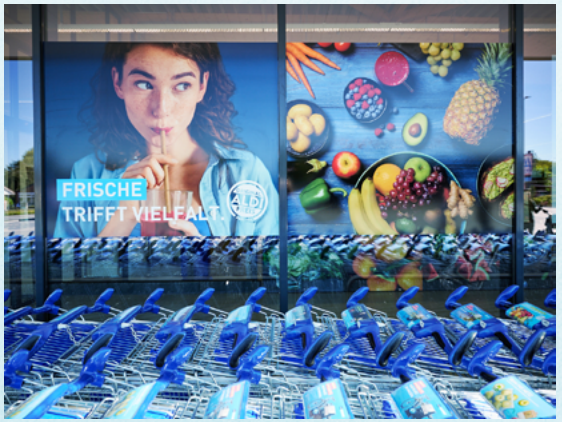
We aim to achieve a reduction in food waste of 50 per cent by 2030.

ALDI Nord Germany in profile

Regional companies	25
Stores	2,202
Total ALDI employees	40,065
Year of market entry	1961
Website	www.aldi-nord.de

In 2023, ALDI Nord Germany entered into a cooperation with Naturland, the biggest international association for organic farming in Germany. In comparison to EU organic, Naturland's standards are stricter, and the organisation has a more holistic approach since they also consider social standards throughout the entire supply chain. ALDI Nord Germany aims to certify a wide range of products with the Naturland label and this process began in 2023. Our customers can already purchase several dairy products as well as fruit and vegetables in all our stores.

Another core topic for ALDI Nord Germany is reducing food waste. Around one third of the food produced worldwide is wasted before it even reaches our plates[1]. Although the latest calculations demonstrate that food retailers are only responsible for seven per cent of food waste in Germany[2], ALDI Nord Germany has been implementing a wealth of measures for many years. One contribution is participation in the multi-stakeholder initiative 'Dialogforum Groß- und Einzelhandel' (dialogue forum wholesale and retail). As a result of the initiative, a commitment against food waste was signed in June 2023 with the German Federal Ministry of Food and Agriculture. The overarching goal is to reduce food waste by 50 per cent by 2030.



1 Global food losses and food waste (fao.org)
2 Lebensmittelabfälle in Deutschland – Statistisches Bundesamt (destatis.de) (Food Waste in Germany – Federal Statistical Office)

Health, biodiversity, and increasing plant-based protein: ALDI Netherlands

ALDI Netherlands is committed to offering healthier products, supporting biodiversity, and minimising food waste.



MORE THAN 70,000 KG OF ELECTRONIC WASTE FOR RECYCLING

Our customers returned approximately 60,500 kg of batteries, 6,300 kg of small electronic appliances, and 3,500 kg of light bulbs to our stores for recycling in 2023.

37 NEW PHOTOVOLTAIC SYSTEMS

We significantly expanded the number of stores with PV systems. In 2023 alone, 37 out of our 486 stores in the Netherlands were equipped with new PV systems.

ALDI Netherlands in profile

Regional companies	6
Stores	486
Total ALDI employees	10,013
Year of market entry	1973
Website	www.aldi.nl



As in previous years, health was a major focus for ALDI Netherlands in 2023. A further 2,700 children in the Limburg province participated in the vegetable box programme 'Groenteboxjes'. We also took action in product development. This involved reducing a total of some 41,820 kilogrammes of fat, 3,103 kilogrammes of salt, and 22,840 kilogrammes of sugar in 30 articles within the product groups cold cuts, fresh spreads, canned fruits, fruit spreads, and frozen products over a period of one year. Additionally, more than 400 products were labelled with the Nutri-Score in 2023, bringing the products displaying the nutrition label to nearly 700. Our private labels continued to pursue the policy of avoiding the marketing of unhealthy products to children.

ALDI Netherlands has also been monitoring the proportion of animal-based and plant-based protein in the volume sold since 2022. The ratio was 37 per cent plant-based to 63 per cent animal-based protein in 2023.

We celebrated the first year of the Kruidenrijk Grasland (Herb-rich Grasslands) project by visiting and interviewing some of the 43 farmers who plant herb-rich grasses around their fields to support biodiversity. A total of 80 hectares of farmland are sown with herb-rich seeds, greening an area the size of all the ALDI stores and distribution centres in the Netherlands.

Reducing food waste was another focus. We strengthened our collaboration with food banks (Voedselbanken Nederland) with a new contract, and simplified and improved processes. Overall, 419 stores (86 per cent), all distribution centres, and our headquarters made donations to local food banks.

Celebrating our 15th anniversary and food waste prevention: ALDI Poland

In response to growing public demand, ALDI Poland is expanding its sustainability activities, including a drive to reduce food waste and involvement in a range of charitable projects.



TWO-WEEK EDUCATIONAL CAMPAIGN ON FOOD WASTE

We prepare information, educate our customers, and encourage them to take care of the environment. We give them tips on how to make tasty dishes from leftovers.

73 NEW STORES ENTERED INTO COOPERATIONS WITH FOOD-RECEIVING ORGANISATIONS

As a result, 90 per cent of our stores donate food. We have entered into partnerships with four new small charities.

ALDI Poland in profile

Regional companies	1
Stores	308
Total ALDI employees	4,602
Year of market entry	2008
Website	www.aldi.pl

We decided to hold a charity challenge in September and October to celebrate the 15th anniversary of ALDI Poland in 2023. Our employees from different departments came together with the aim of donating PLN 15,000 and chose two charities: the Society for the Care of Animals in Poland and the Iskierka Foundation, a childhood cancer charity. The mission for our employees was to participate in a joint photo bank, where teams had to submit a photo around the theme '15'. This counted as a contribution to the company's fundraising efforts. The charity challenge was a resounding success with achievement of the fundraising target and generation of a sense of strengthened togetherness among our employees.

For the second time, we organised a Christmas-tree project in December. ALDI employees had the opportunity to give presents to children and young people from three different care and education centres. We put together 120 gift packs and these were delivered just before Christmas. The ALDI team also supported the Special School and Educational Centre No. 2 in Lublin with cleaning and personal hygiene products along with sweets.

As in previous years, we continued working with Klub Gaja to maintain the educational apiary. Children can visit the bee farm to learn about bees, their lifecycle, and how to protect them.

Food waste is also an important issue in Poland. In 2023, ALDI Poland established cooperations with many local charities and we have partnerships with almost 40 small local organisations. We also conducted an educational campaign focusing on food-waste prevention. See our zero waste website.



ALDI Portugal: focus on improving packaging and reducing food waste

Working on packaging optimisation and the reduction of food waste – just two priorities of ALDI Portugal.



199 CERTIFIED VEGAN AND VEGETARIAN ARTICLES

The second edition of Ranking Veg Portugal, an initiative promoted by the Portuguese Vegetarian Association, recognised ALDI Portugal as the leading supermarket in vegan products with the V-Label.

MORE THAN 30 MSC-CERTIFIED FISH AND SEAFOOD ARTICLES

ALDI Portugal continued to increase its range of MSC-certified sustainable fish products. This now accounts for one-third of the total range.

ALDI Portugal in profile

Regional companies	1
Stores	141
Total ALDI employees	2,665
Year of market entry	2006
Website	www.aldi.pt



Every day, we are dedicated to work on three key issues: climate, packaging, and food waste. We collaborate with all relevant departments and suppliers to achieve our goals, and continue our dialogue by joining initiatives such as the Portuguese Plastic Pact, United Against Food Waste (Unidos Contra o Desperdício), and the Roadmap for Decarbonisation of the Distribution Sector, a project operated by the Portuguese Association of Distribution Companies, which we joined in 2022.

In 2023, we continued our dialogue with national multi-stakeholder initiatives by joining the Business Council for Sustainable Development and act4nature Portugal. This established our position as a sustainability frontrunner in Portugal, and reinforced our pledge to address worldwide challenges such as climate change and biodiversity loss.

Our International Packaging Strategy involves working to fulfil our international packaging targets at national level. We participate in internal workshops in Portugal to improve our packaging, reduce material, and increase recyclability and recycled content. The elimination of plastic interlayers in cheese packaging is one of the many examples of optimisation. This specific reduction in plastic results in a 30 per cent saving in plastic per unit, with an estimated annual plastic saving of 1.8 tonnes.

On the topic of animal welfare, we introduced the Welfair® certification for all fresh ALDI brand chicken meat in our standard assortment. We also continued to increase our sustainable certified fish and seafood product selection.

We sustained our partnership with the Portuguese Association for Combating Childhood Obesity (APCOI) to promote healthy eating among children and supported the AMI Foundation Ecoética project for the fourth consecutive year in 2023.

ALDI Spain – focus on sustainability during a period of expansion

ALDI Spain continues to expand across the country, focusing on sustainability issues such as food waste and sustainable products.



231 PHOTOVOLTAIC SYSTEMS (33,985 KWP)

Within a period of two years, we have more than doubled the capacity of our photovoltaic systems by adding 130 additional installations.

MORE THAN 90% OF STORES DONATE FOOD TO FOOD BANKS AND SOCIAL ORGANISATIONS TO REDUCE FOOD WASTE

We have increased the ratio of donating stores by almost 30 per cent compared to 2022 and challenge ourselves to achieve 100 per cent during the coming years.

ALDI Spain in profile

Regional companies	7
Stores	437
Total ALDI employees	7,103
Year of market entry	2002
Website	www.aldi.es



In 2022, ALDI celebrated its 20th anniversary in Spain. The importance of the Spanish market after this long period was highlighted by opening two additional distribution centres during the reporting period – in Sagunto and Miranda del Ebro – and expanding five existing ones. The new and expanded distribution centres include rooftop photovoltaic systems, and the buildings were constructed following the criteria for BREEAM certification.

The expansion throughout the territory continued over the reporting year, with the number of ALDI stores on the mainland, the Balearic Islands and the Canary Islands increasing by 43 stores.

In the first quarter of 2023, we donated more than 28,200 litres of milk to food banks near our warehouses. Throughout the year, surplus products from stores and warehouses were donated to food banks and social organisations to reduce food waste and help people in need.

We have continued our long-standing collaboration with the Semana Mares para Siempre (Seas Forever Week) initiative, which is promoted by the international organisation Marine Stewards Council (MSC) to raise awareness for the importance of sustainable fishing. The event takes place in the second week of March and brings together various stakeholders committed to protecting marine resources. ALDI is a long-time promoter of measures to encourage more sustainable consumption of fish and seafood, and this was recognised with the 'MSC Sustainable Fishing Trajectory' award at the third edition of the Mares Para Siempre Awards. The award salutes promotion of sustainable and responsible consumption in harmony with the environment.



MANAGEMENT

STRUCTURING AND DIRECTING SUSTAINABILITY

Our commitment to sustainability is based on a clear approach, ethically correct and compliant behaviour, and efficient organisations. To meet the current challenges, we are working intensively on initiatives and alliances with stakeholders.

SUSTAINABILITY APPROACH

GRI 2-1/6/22/23 The ALDI Nord Group is an internationally successful discount retailer operating in eight European countries. Shopping at ALDI Nord should be simple: stores near our customers and high-quality products at the lowest possible price. We are constantly evolving to keep up with changing customer expectations. However, we do not change the way we carry on business: simply, reliably, and responsibly. This means we offer value-for-money products that customers can buy with a good conscience.

ALDI is the inventor of discount retailing, and this business model already follows sustainable principles: working efficiently, conserving resources, and focusing on essential products. On a corporate level, we focus on relevant issues for the main stakeholders in the ALDI countries, matters close to our core business, and areas where ALDI Nord can exert significant influence on sustainability. We strive to act responsibly by creating long-term and cooperative partnerships with our suppliers and producers, focusing on customer satisfaction, well-being, and our collaborations with local and international community groups and charities.

Our private label products are at the heart of the product ranges. They make up 83.4 per cent of our assortments, alongside selected brand-name products. Our stores offer an average of around 1,870 products. The standard ranges are supplemented by alternating promotional products offered up to four times a week. These offers include textiles and shoes, electronics, household items, DIY, and garden products, alongside foodstuffs and innovative products from start-ups.

Our daily decisions impact our entire value chain. In view of the challenges of climate change, finite natural resources, and a growing, constantly changing demand for groceries, acting sustainably as a discounter is not an option but a licence to operate. Sustainability becomes a must. Several regulations already exist and they will come into force during the course of this decade. Compliance with these regulations requires all our colleagues and business partners to integrate sustainability into daily decision-making. Regulations will help establish a level playing field for all players, enabling the move towards a more sustainable society.

GRI 2-6

TOTAL NET SALES OF THE ALDI COMPANIES

Total net sales in the business year (in billion euros)



GRI 2-6

PRODUCTS AND PRIVATE LABEL PRODUCTS IN THE PRODUCT RANGE

Number of products and proportion of private label products in the standard product ranges (in per cent)

	2021		2022		2023[1]	
	Number of products	Proportion of private label (in %)	Number of products	Proportion of private label (in %)	Number of products	Proportion of private label (in %)
Belgium/Luxembourg[2]	1,652	89.2	1,711	91.6	1,720	84.8
Denmark	1,700	65.4	1,700	65.4	–	–
France	2,165	87.7	2,407	83.8	1,798	87.5
Germany	1,728	79.0	1,866	85.4	1,853	87.0
Netherlands	1,957	90.6	1,934	93.1	1,799	93.3
Poland	1,898	56.2	1,809	56.9	1,830	61.5
Portugal	2,144	82.4	2,094	83.3	2,141	82.8
Spain	2,806	83.4	1,980[3]	84.6[3]	1,929	86.9
ALDI Nord	**2,006**	**79.7**	**1,938**	**80.9**	**1,867**	**83.4**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 The value for 2022 was corrected in comparison to the information published in the previous year's report.

OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

GRI 2-23 We support the Sustainable Development Goals (SDGs) of the United Nations by concentrating on promotion of responsible consumption, sustainable development of our private label ranges along our entire value chain, and efficient use of resources across all our business processes. This is why we offer our customers a wide range of sustainable products, reduce the packaging of our private label products, highlight the circular economy, and use modern technology to reduce energy consumption in our stores. We also make it easier for our customers to eat more healthily – for example, with products containing less sugar, salt, and additives. The SDG goals of particular importance to us can be found on each introductory page of the following four sections and in our SDG index.

HOW WE ARE ORGANISED

GRI 2-1/6/9 The ALDI Nord Group is represented in eight European countries. In Germany, ALDI Nord operates locally through legally independent regional companies, which together formed a horizontally organised group of equal companies until 30 September 2023. ALDI Einkauf is engaged by these regional companies to provide various services in the retail sector. This company is also the licensor of the ALDI brand for the legally independent ALDI companies operating in the ALDI countries. These arrangements ensure a uniform market profile.

Since 1 October 2023, the ALDI Nord Group has been operating under new group structures.

The Corporate Responsibility Quality Assurance (CRQA) International department is part of ALDI Einkauf and based in Germany. It advises on overarching international topics and services. The responsibility for sustainability lies with one of the managing directors of ALDI Einkauf and Corporate Responsibility (CR), a sub-division of CRQA. In addition, there are national CRQA structures in each ALDI country with individual responsibilities. Oversight for the interests of the associated companies therefore lies with the companies themselves and not with CRQA International. National and international CRQA directors regularly hold strategy meetings. All CRQA employees are in close contact across national borders, for example, within the Expert Working Groups, which aim to intensify collaboration on specific sustainability topics. In their individual companies, CRQA employees coordinate with colleagues from procurement, communication, and other departments. The two CR departments of ALDI CR Support Asia Ltd in Hong Kong and Dhaka provide local support in establishing CR standards in the supply chain.

This report is the last Sustainability Report we will publish in this format, as we will be focussing on CSRD preparation and the associated reporting from now on.

STORES AND ALDI EMPLOYEES

Number of ALDI stores and number of ALDI employees (headcount in total and by gender) on the reference date 31 December

	2021			2022			2023[1]		
	Number of stores	Number of employees	thereof female	Number of stores	Number of employees	thereof female	Number of stores	Number of employees	thereof female
Belgium/Luxembourg[2]	458	8,046	5,784	465	8,479	6,068	463	8,632	6,122
Denmark	189	2,920	1,389	188	2,607	1,209	–	–	–
France	1,309	16,428	10,337	1,321	15,756	9,539	1,294	14,814	9,111
Germany	2,223	37,899	25,411	2,201	40,047	26,778	2,202	40,065	26,705
Netherlands	487	9,562	5,604	488	10,805	6,232	486	10,013	5,735
Poland	201	3,679	3,000	251	4,701	3,771	308	4,602	3,806
Portugal	105	2,422	1,611	122	2,860	1,849	141	2,665	1,718
Spain	357	5,939	3,808	394	6,544	4,378	437	7,101	4,807
ALDI Nord	**5,329**	**86,895**	**56,944[3]**	**5,430**	**91,799**	**59,824**	**5,331**	**87,892**	**58,004**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 The value for 2021 was corrected in comparison to the information published in the previous year's report.

CLEAR AND QUANTIFIABLE: OUR GOALS

The CR Agenda links operational goals and measures with the requirements of our sustainability strategy. We review the fulfilment of goals and communicate our progress within the framework of the Sustainability Report.

This approach allows us to focus on reporting the topics that are currently of major importance to us and our stakeholders. As part of our CR Agenda, we set clear and SMART goals for all areas.

Goals that were achieved in the previous CR Agenda are not listed again, while all other deletions are shown transparently.

CR AGENDA INTERNATIONAL 2023

CUSTOMER & PRODUCT

Description of goals		Status 2023[1]	Next steps	SDGs
20% less virgin plastic in private label packaging* by 2025 (base year 2020, in relation to sales)	*Packaging level: primary (sales) packaging, excluding category fruits and vegetables	–17% 2025	In progress. We aim to further reduce the amount of packaging material by reducing the total volume of packaging.	12.2 12.5
30% recycled content in private label plastic packaging* by 2025 (at least and on average)	*Packaging level: primary (sales) packaging	17% 2025	In progress. The current status is a good basis and point for continuing to pursue the focused legal use quotas of the Packaging & Packaging Waste Regulation (PPWR) and gradually equipping our plastic packaging with the intended recycled content.	12.2 12.5
100% reusable, recyclable or compostable* private label packaging by 2025	*Basis: ALDI Recyclability Guideline and the existing collection, sorting & recycling infrastructures in our ALDI countries. These basis for evaluation will serve until the criteria for Design4Recycling within the EU PPWR are authoritative and published	75% 2025	In progress. We aim to further continually increase the amount of recyclable packaging materials, for example by using mono materials, eliminating multi-layer packaging or avoiding Non-detectable NIR Colours.	12.2 12.5
15% less packaging* for private labels by 2025 (base year 2020, in relation to sales)	*Packaging level: primary (sales) packaging, excluding category fruit and vegetables	–12% 2025	In progress. We aim to further reduce the amount of packaging material by reducing the total volume of packaging, for example by reducing material thickness, eliminating packaging components or optimising packaging sizes.	12.2 12.5
Delisting the disposable plastic bag* (e.g. carrier loop bag = "Schlaufentragetasche")	*Scope strength: bags with <60µ, not-bags excluded for fruit and vegetables	100% 2023	Goal achieved. Remaining quantities are sold off. At the point of sale, we want to offer our customers sustainable carrier bags that conserve valuable resources, are often reusable and recyclable.	12.2 12.5

1 All percentages have been rounded.

CUSTOMER & PRODUCT

Description of goals		Status 2023[1]	Next steps	SDGs
100% unpackaged organic fruit and vegetables or in environmentally friendly packaging* by 2023	*Packaging level: primary (sales) packaging	92% 2025	In progress. We aim to increase the proportion of unpackaged products or recyclable packaging for organic fruit and vegetables.	12.2 12.5
Expansion of unpackaged* articles in the fruit and vegetable sector to at least 40% by 2025**	*Packaging level: primary (sales) packaging **Achievement minimum on Group average	30% 2025	In progress. We continue to work on optimising our packaging in terms of environmental impact and, whereever possible, eliminating packaging materials while maintaining product protection and quality.	12.2 12.5
Optimise* the composition of 100% of ALDI private label food products for children by end of 2025**	*Optimisation is conducted based on the WHO nutrient profile model (second edition) **Products according to the ALDI Nord definition that do not meet WHO nutrient profile model. Excluded are special offers (Christmas, St Nicholas, Easter, Halloween)	2025	In progress. Children's products are currently being evaluated according to WHO criteria to ensure the successive optimisation of the children's assortment.	2.2
Avoid off-product marketing of unhealthy private label food products for children* and promote healthy products in our leaflets, websites and social media channels by end of 2025**	*Products according to the ALDI Nord definition that do not meet WHO nutrient profile model. Excluded are special offers (Christmas, St Nicholas, Easter, Halloween) **Adapted target year	2025	In progress.	2.2
Avoid on-product marketing of unhealthy private label food products for children* and promote a healthy assortment by end of 2025	*Products according to the ALDI Nord definition that do not meet WHO nutrient profile model. Excluded are special offers (Christmas, St. Nicholas, Easter, Halloween)	2025	In progress. For products that cannot be optimised according to WHO criteria, the successive adaptation of layouts is ensured. Further implementation of the target is in progress.	2.2
Implementation of clear labelling concept for healthy private label food products for children* by end of 2025	*Products according to the ALDI Nord definition that meet WHO nutrient profile model. Excluded are special offers (Christmas, St. Nicholas, Easter, Halloween)	2025	In progress. Review of various design concepts for the healthy children's assortment in accordance with legal requirements and market situation.	12.8
Register 100% of ALDI private label food products* for the Nutri-Score labelling by end of 2024	*Out of scope are exceptions of Santé publique France and individually defined exceptions	2024	In progress. Usage of the updated Nutri-Score algorithm.	2.2 12.2
Offer 100% vegetarian/vegan soy-based* dairy, meat, fish & egg alternatives (labelled with V-Label) with European and/or certified soy by 2024**	*Products are soy-based if soy is a primary and/or valuable ingredient. Textured soy protein (TSP) is also included in the scope **Accepted certifications and standards are RTRS, Pro Terra, ISCC+, SFAP Non-Conversion, CRS, BFA, Danube/ Europe Soy, Cargill Triple S, ADM Responsible Soy Standard, Bunge Pro S	63% 2024	In progress. Regular monitoring of target achievement. Suppliers not fulfilling the requirement yet will be proactively contacted.	12.2 12.8

1 All percentages have been rounded.

SUPPLY CHAIN & RESOURCES

	Description of goals	Status 2023[1]	Next steps	SDGs
100% sustainable cotton* by 2030	*E.g. GOTS, OCS 100/blended, Fairtrade, recycled cotton, BCI, or CmiA for all clothing and home textiles	96% 2030	In progress. Evaluate 2024 status, look for articles with conventional cotton and make sure 2030 goal will be achieved.	12.2
Roll-out of Corporate Responsibility Supplier Evaluations (CRSE) in all high-priority supply chains* by 2027	*High-priority supply chains are supply chains identified in our Sustainability Risk Analysis	36% 2027	Goal under revision. CRSE is implemented for the following high priorities: fashion and shoes, household textiles, fruit and vegetables, fish and seafood. Development of CRSE or similar evaluation for further high priorities is ongoing.	
Commitment to eliminate deforestation and conversion of natural ecosystems from our high-priority supply chains* by 2030	*High-priority supply chains for this commitment (EUDR scope): cocoa, coffee, palmoil, soy, wood, wood-based packaging, beef	2030	Goal under revision. We are committed to eliminate deforestation and conversion of natural ecosystems from our high-priority supply chains by 2030. Resources such as palm oil, timber and cocoa are nearly 100% certified by a deforestation-free standard. We have also excluded Brazilian Beef from our supply chains. For coffee, we are working on a 100% certification. Moreover, we are currently working on the successful implementation of the upcoming EU Deforestation Regulation.	15
Realisation and publication of up to 12 Human Rights Impact Assessments (HRIAs)* or comparable reports by 2025, at least one in every high-priority supply chain**	*A Human Rights Impact Assessment (HRIA) is a process to understand and systematically identify how specific supply chain activities potentially affect internationally recognised human rights. It gives information on key human rights risk and root causes and included the perspective of relevant rightsholders **High-priority supply chains are supply chains identified in our Sustainability Risk Analysis	25% 2025	In progress. Continue conducting HRIAs for selected high-priority supply chains.	8.8

1 All percentages have been rounded.

SUPPLY CHAIN & RESOURCES

Description of goals		Status 2023[1]	Next steps	SDGs
Establishment of grievance mechanisms that meet the requirements of the United Nations Guiding Principles on Business and Human Rights (UNGPs) in our high-priority supply chains* by 2025	*High-priority supply chains are supply chains identified in our Sustainability Risk Analysis	2025	In progress. We continue to work with other stakeholders to establish and strengthen grievance mechanisms. This commitment includes participating in amfori's Speak for Change Programme, and in the grievance mechanisms of other initiatives. We are also evaluating additional initiatives, pilot projects, and tools to extend coverage.	8.8
100% transparency on all input chemicals used in all wet-production facilities producing for ALDI by 2025	*Wet-production facilities of textiles and shoes in risk countries	2025	In progress.	3.9 6.3 12.4
Review and updates of all published human rights related policies* by 2025	*Policies e.g. regarding child labour, forced labour policy	2025	In progress. We will start reviewing the forced labour and child labour policy and update them.	8.3
Pursue the implementation of workers participation programmes and strengthen collective bargaining by joining target-led initiatives by 2025		2025	Ongoing. Evaluate Initiatives for their feasibility and conditions.	8.8

CLIMATE & ENVIRONMENT

55% reduction in greenhouse gas emissions (Scope 1 & 2) by 2030 compared to 2020 (science-based target)		–39% 2025	In progress. Continuous implementation of GHG reduction measures such as energy efficiency improvements, exchange of F-Gas-Systems with natural refrigerants and renewable electricity usage and generation. Regular monitoring of target achievement.	7.2 7.3 13.3
Encouraging our suppliers responsible for 75% of product-related emissions (Scope 3.1) to set science-based reduction targets by 2024		50% 2024	In progress. Regular monitoring of target achievement. Contacting suppliers in scope and offering further support.	7.2 7.3 13.3
Install photovoltaic systems on 1,700 stores by 2025 (base year 2013)		94% 2025	In progress. Installation of PV Systems in all countries.	7.3
Install at least 500 fast-charging stations for electric vehicles at our stores by the end of 2024			Goal deleted. Due to the fact that this is now a regulatory requirement for all companies.	7.3

1 All percentages have been rounded.

MATERIALITY

An essential foundation of our sustainability approach is identification of the issues most important to our business and stakeholders, and analysis of where our impact is most significant. We adapted the methodology of our materiality analysis in 2023 as the first step in our preparations for the upcoming requirements of the EU Corporate Sustainability Reporting Directive (CSRD) and EU taxonomy. For the first time, we modelled the process based on the new requirements of the relevant European Sustainability Reporting Standards (ESRS), although we have not yet applied them in full. However, our methodology continues to meet the reporting standards of the Global Reporting Initiative (GRI) in line with previous years.

METHODOLOGY

GRI 3-1 Since 2015, we have been conducting comprehensive materiality analyses to identify the issues that are most important to us. Our materiality approach was comprehensively reviewed and optimised in 2023 prior to being subsequently aligned with the ESRS as described above. This enables us to determine the focus of our sustainability reporting and management.

Two perspectives must be considered in the concept of double materiality analysis in order to identify the reporting topics – impact materiality and financial materiality. While impact materiality examines the environmental and social impacts of a company's activities along the entire value chain, financial materiality looks at the impact of sustainability issues on a company's economic performance.

Involvement of stakeholders

GRI 2-29, 3-1 Stakeholder engagement has always been an important part of our materiality analysis and this remains the case in the double materiality approach. For this reason, we have again included many different stakeholders in our process.

We made an initial assessment with internal experts who were selected on the basis of previously assigned responsibilities and existing internal expert knowledge within ALDI Nord. This enabled the initial identification of company-specific qualitative information for the materiality analysis. In addition to gathering input from our internal topic experts, further internal and external stakeholders took part in a quantitative survey to assess and validate the topics that had already been identified. The stakeholder survey was conducted in all ALDI countries – Belgium, France, Germany, the Netherlands, Poland, Portugal, and Spain.*

* ALDI Luxembourg was excluded because no sufficiently large survey panel was available.

The most important stakeholder groups were determined on the basis of ALDI Nord's last materiality process. They are as follows:

- Customers and potential customers
- NGOs, initiatives, and associations
- Employees
- Business partners and suppliers
- Managing Directors

Other stakeholder groups, such as politicians and the media, are considered in day-to-day operations but they were not actively surveyed as part of the materiality analysis.

List of topics and evaluation of relevance

GRI 3-1, 3-2 The ESRS topic list is clustered in environmental, social and governance issues. We used it as a starting point for considering the extent to which topics could be added or excluded, and the final list of issues was aggregated for the analysis process. A total of 10 topics and 32 subtopics were assessed as part of the materiality analysis.

So as to assess external and internal stakeholders' perspectives, expectations, and requirements, we asked key stakeholders who potentially affect our operations at ALDI Nord to evaluate the impact and rate the importance of the defined sustainability topics. The online survey questionnaire focused on determining which sustainability issues are seen as having a significant positive or negative impact on society and the environment, as well as on ALDI Nord's business.

Each topic was assessed from an impact and a financial perspective based on input from internal experts and the stakeholder survey, supplemented by information from desk research. Structured workshops at the national and international levels enabled us to validate the analysis results to ensure that country representatives could provide feedback along with international departments.

The main outcome of this process is the list of reportable topics. There is no hierarchy of topics, unlike the last materiality analysis (matrix). It is not possible to make a direct comparison with previous years' topics due to the orientation towards the CSRD materiality analysis, and the new wording used in the ESRS. Furthermore, some content has been grouped and summarised under new topics, and the wording therefore also differs from the last materiality analysis. Even though some topics such as chemical pollution in the textile supply chain have now been identified as not material (or no longer material) according to the double materiality analysis methodology, they are still relevant to the ALDI Nord Group's business model. As a consequence, they will continue to be included in our Sustainability Report 2023.

MATERIALITY RESULTS

GRI 3-1, 3-2

OVERVIEW OF OUR MATERIAL TOPICS

Environmental Topics

Topic	Subtopic
Climate	Climate (IM, FM)
	Energy (IM, FM)
Pollution	Microplastics (IM, FM)
Water and marine resources	Water (IM)
	Marine resources (IM)
Biodiversity and ecosystems	Direct impacts on biodiversity (IM)
Circular economy	Resource use (IM, FM)
	Waste (IM, FM)

Social Topics

Topic	Subtopic
Own workforce	Working conditions (FM)
	Equal treatment and opportunities for all (FM)
Workers in the value chain	Working conditions (IM)
	Equal treatment and opportunities for all (IM)
	Other work-related rights (IM)
Affected communities	Communities' economic, social and cultural rights (IM, FM)
Consumers/end-users	Information-related impacts for consumers and/or end-users (IM, FM)
	Personal safety of consumers and/or end-users (IM)
	Social inclusion of consumers and/or end-users (IM)

Governance Topics

Topic	Subtopic
Business conduct	Corporate culture (FM)
	Management of relationships with suppliers (IM)

Legend

IM	= Material from an impact perspective
FM	= Material from a financial perspective
IM, FM	= Material from both perspectives

IMPACT ON REPORTING

As we are still reporting with reference to GRI, which only requires an impact perspective, the financial perspective is not reported even though it was identified in our double materiality analysis.

The sections of this report describe our potential and actual positive and negative impacts on society and the environment, how we address our material issues, and the progress we have made. The sections often combine more than one material topic. For example, the topics of 'Climate change' and 'Energy' are combined in the 'Climate and environment' section. We have also defined the relevant GRI standards for our material topics. The description of our management approach is based on GRI 3-3, "Management of material topics".

STAKEHOLDERS & NETWORKS

In the 2030 Agenda for Sustainable Development, the United Nations (UN) emphasised the importance of close cooperation between various stakeholders to achieve ambitious Sustainable Development Goals. The impact of the problems we face is being felt globally. We are currently confronted with challenges such as the impact of climate change, increasing amounts of waste, environmental degradation, and the need for improved living conditions in the countries where our products are farmed or produced. Over the course of the reporting year, we have adopted our topics to reflect the challenges identified. We cooperate with special-interest groups and build alliances with major stakeholders in order to work together on these topics. Our aim is to expand and facilitate dialogue with these groups and enact lasting change. Our stakeholders are invited to contact us at anytime about sustainability topics at ALDI Nord. Please email us at cr-reporting@aldi-nord.de.

STAKEHOLDER REVIEW AND OUR INVOLVEMENT

GRI 2-29 As part of our materiality process, we regularly review which stakeholder groups are especially relevant to us. The most recent review was undertaken for the Sustainability Report 2023. The key stakeholders are our customers, alongside ALDI employees, followed by non-governmental organisations (NGOs), special-interest groups and associations, suppliers, and business partners. We strive to achieve a direct and open dialogue with these groups. Furthermore, we maintain regular contact with other groups, such as local residents' groups, members of the media, and politicians.

Overview of stakeholder inclusion

Over the past few years, we have updated our traditional **customer** communication through marketing campaigns, in our stores and on the country websites, and shifted our focus to customer dialogue. We increasingly use social media channels, customer hotlines such as ALDI Contigo in Spain, and surveys conducted by our international market research departments to better understand our customers.

Communication with ALDI **employees** continues to improve and is conducted through various channels. All ALDI countries have introduced regular employee surveys. In addition to these standard surveys, we also conduct topic-specific surveys. In 2023, the focus was on the employer brand and how potential employees prioritise employers. You can find out more about surveys and findings in the Attractive employer section.

We engage in dialogue with **NGOs** and other organisations in all ALDI countries on a personal level or through **sector and multi-stakeholder initiatives**. ALDI Spain has been working with its suppliers as part of the 2023 Sustainability Campaign. In one initiative, they worked with La Fast – a local banana supplier – on an initiative to promote the sustainable practices among Canary Island banana growers, and to better understand the value chain and strengthen collaboration for a future-proof agricultural sector. In 2023, ALDI Belgium joined a new multi-stakeholder initiative – Belgian Retailers on Living Wages in the Banana Sector. The project aims to assess banana supply chains, regularly evaluate the living wage gap, identify root causes for the gap, and implement strategies to overcome it. This involves engaging with various stakeholders, including trade unions, NGOs, suppliers, producers, and certification bodies. The initiative also includes transparent reporting on progress and regular exchange on related activities. Since 2023, ALDI Portugal has been a member of the Business Council for Sustainable Development (BCSD) Portugal in order to promote our positive impact on stakeholders, society, and the environment within the country. ALDI Portugal also joined act4nature Portugal, an initiative promoted by the BCSD Portugal as part of act4nature international. This organisation aims to mobilise businesses to protect, promote, and restore biodiversity at a global level.

Buyers, CRQA managers, and specialists are in constant contact with our **suppliers**. On an international level, we are working closely with our key partners and suppliers to reduce greenhouse gas emissions, providing free webinars on the requirements for operational climate accounting, and encouraging them to set their internal climate targets. ALDI Spain and ALDI Portugal proactively organised a training session to educate their fish suppliers on SFP Metrics, an online platform that plays a central role in ensuring full transparency within the fish supply chain. The two countries wanted this training initiative to provide their suppliers with a full understanding of how to effectively use the platform. It underlines our commitment to promoting transparency and sustainability throughout the fish-sourcing process.

PARTNERSHIPS, NETWORKS & CHARTERS

GRI 2-28 ALDI Nord is engaged in national and international dialogue with various organisations, initiatives, and alliances. Our efforts vary according to the issue, ranging from basic membership to playing an active management role. Below is a list of the initiatives we are involved in and the related obligations. The list covers the past five years from 2019 to 2023, and resignations are listed at the end of the table*. Entries prior to 2019 can be found in the Sustainability Report 2021 and also in the section 'Supply chain & resources'.

International

2023

- appellando – alliance for grievance mechanisms in supply chains
- International accord for health and safety in the textile and garment industry with two Country Specific Safety Programs (CSSP):
  - Bangladesh Agreement On Health And Safety In The Textile And Garment Industry
  - Pakistan Accord On Health And Safety In The Textile And Garment Industry

2022

- The BHive™
- Sustainable Fisheries Partnership (SFP)
- Palm Oil Transparency Coalition (POTC)
- EUROPEN – a trade association representing the packaging-industry value chain in Europe
- Holy Grail 2.0 – cross-value chain initiative to improve recycling of packaging waste in the EU

2021

- Global Tuna Alliance (GTA) North Atlantic Pelagic Advocacy Group (NAPA)
- International Accord on Health and Safety in the Textile and Garment Industry (Previously the Bangladesh Accord on Fire and Building Safety)
- DonauSoja
- Sustainable Nut Initiative (SNI)

2020

- Tony's Open Chain (Tony Chocolonely)
- Retail Soy Group (RSG)
- Round Table on Responsible Soy Association (RTRS)
- Retailer Cocoa Collaboration (RCC)

2019

- Better Cotton Initiative (BCI)
- IDH – The Sustainable Trade Initiative: active participation on the steering committee in the Netherlands

National

2023

- Naturland e.V.
- Labelling of origin of the Central Coordination Retail Agriculture (ZHKL)
- Vergers Ecoresponsables (French eco-friendly orchards approach and label)
- Business Council for Sustainable Development (BCSD) Portugal
- Act4Nature Portugal
- Pakt gegen Lebensmittelverschwendung (Commitment against Food Waste)

2022

- Roadmap for the Decarbonisation of the Distribution Sector Portugal
- Belgian Retail Commitment on Living Wages in the Banana Sector
- QM Milch e.V.

2021

- French initiative for sustainable cocoa
- Klub Gaja Foundation
- Proveg Polska
- Crossed Grain Trademark (AOECS)
- Associação Smart Waste Portugal (Association Smart Waste Portugal)
- Pacto Português para os Plásticos (Portuguese Plastic Pact)
- Movimento Unidos Contra o Desperdício (United Against Food Waste Movement)

2020

- Department of Environment Flanders: Flemish Green Deals
- Dialogforum Groß- und Einzelhandel zur Reduzierung der Lebensmittelverschwendung (Dialogue Forum for the Reduction of Food Waste in Wholesale and Retail)
- European Chicken Commitment
- Plan de Apoyo al deporte paralímpico
- Asociación española de nutrición y dietética

* Resignation in the course of 2023: BEE FRIENDLY, Global Dialogue on Seafood Traceability, The shift (Belgian sustainability network), Superpartner of 'het Nationaal Schoolontbijt' (the National School Breakfast), Plastic Pact NL, United Nations Global Compact (UN GC), UNICEF (Belgium)

2019

- German Retail Trade Working Group on Living Wages and Income: joint declaration of intent 2020
- QUEB (Quality Employer Branding – Deutscher Bundesverband für Employer Branding, Personalmarketing und Recruiting)
- Plastic Pact NL: commitment to the goal of 20 per cent less plastic in 2025 and more recycling and sustainable alternatives
- Alliantie Kinderarmoede (Alliance Child Poverty): partner of the organisation (Netherlands)
- Floriculture Sustainability Initiative (FSI)
- Haltungsform

INDUSTRY ASSOCIATIONS

- Comeos (Association for Trade and Services in Belgium)
- Fédération du Commerce et de la Distribution (French Association for Commerce and Distribution – FCD)
- Centraal Bureau Levensmiddelenhandel (Dutch Food Retail Association – CBL): sectoral agreements on the use of soy, palm oil, due diligence, health, green electricity, etc.
- Bundesverband des Deutschen Lebensmittelhandels (Federal Association of the German Grocery Retail Trade – BVLH)
- Handelsverband Deutschland (German Retail Federation – HDE)
- Associação Portuguesa de Empresas de Distribuição (Portuguese Association of Distribution Companies – APED)
- EuroCommerce (European Retail Association)

COMPLIANCE

GRI 205/3-3, 206/3-3 Simple, responsible, and reliable are the values that guide our actions. We are committed to acting in accordance with our corporate values, and not risking compliance violations. ALDI employees and business partners are also expected to act responsibly and reliably, adhering to all rules, policies, and agreements.

The General Terms and Conditions of Purchasing define clear rules that govern the relationship between suppliers and the ALDI companies. Anti-competitive conduct by suppliers and manufacturers is prohibited. Sanctions are in place for potential violations such as late delivery or failure of delivery. The General Terms and Conditions of Purchasing also specify compliance requirements for contractual partners to ensure that ALDI Nord maintains the same standards across its operations. Compliance managers will undertake a comprehensive investigation if there are reliable indications of a violation of the rules – whether by a supplier or an ALDI employee.

OUR APPROACH

Our Group Compliance Management System (CMS) provides ALDI employees with clear guidelines on ethically correct and compliant conduct. It is available internationally to all ALDI companies and is designed to help ALDI employees live up to our ALDI core values. The national compliance departments are in a direct reporting line to their country CEO and assist in tailoring the CMS to the needs of each country. Above all, the CMS aims to ensure and promote ALDI Nord's long-term success, and avoid or mitigate any damage or risk.

As a part of the CMS, whistleblowing systems can receive information on compliance violations within ALDI Nord. Any violations of applicable law and internal rules can be reported through these channels under a specific name or anonymously. Reportable violations include corruption, unfair competition, unethical behaviour, and non-compliance with environmental standards. Non-compliance with social standards such as human rights and workplace safety regulations may also be notified. The whistleblowing systems are always available on each country's website for internal and external parties.

In addition, all national compliance managers use an internal case management tool for compliance documentation. In the event of an investigation, managers can track results, measures, and actions and report to the country CEO and the international Group Risk & Compliance department.

In 2023, we introduced a Business Partner Compliance Management tool to monitor our business partners. The tool will be rolled out internationally in 2024. The aim is to check business partners before entering into a business relationship, and to monitor them continuously. As part of the screening process, terror and sanctions lists are also checked, and a web search is conducted for negative reports on compliance/governance, human rights and environmental issues. In addition, information is obtained on the ESG criteria, the financial situation, the ownership structure, and the beneficial owners of the business partner. The tool already covers the requirements of the German Supply Chain Due Diligence Act. Our aim is also for it to cover requirements of its European counterpart, the Corporate Sustainability Due Diligence Directive (CSDDD).

REGULAR COMPLIANCE TRAINING FROM THE START

GRI 205/3-3, 206/3-3 We provide a range of training sessions to make ALDI employees aware of the importance of compliance. New employees receive training on the key ALDI Nord policies during onboarding. Relevant employees complete regular training sessions, covering a wide range of critical topics such as antitrust law, unfair competition, protection of company secrets, and avoidance of corruption, as well as data protection, and information security.

We have also expanded communication about compliance on the websites of all ALDI countries and introduced E-Learning for Compliance, Data Protection and Information Security.

RELIABLE DATA PROTECTION AS A BASIC REQUIREMENT

GRI 418 Reliable data protection is an essential enabler for all our activities. The data protection policies of the ALDI companies on general principles, goals, and responsibilities are designed to ensure legally compliant data protection across all business processes. ALDI employees receive regular training on information security and data protection. Courses geared to specific target groups are also held, for example, on handling employee or customer data, or recognising phishing.



CUSTOMER & PRODUCT

MAKING SUSTAINABILITY VISIBLE

Safe and responsible consumption means providing product ranges that the customers can trust. We are working on improving products and packaging and on making our innovations visible to our customers.

International

75%

OF OUR PRIVATE LABEL PACKAGING IS RECYCABLE

(group average) based on the ALDI International Recyclability Guidelines. We have achieved a saving of about 35,200 tonnes of packaging material since starting the International Packaging Strategy in 2020 (in relation to sales).

ALDI Portugal

100 %

FRESH CHICKEN MEAT WELFAIR® CERTIFIED

We have made a clear commitment to the importance of animal welfare at ALDI Portugal by only offering Welfair certified fresh chicken meat in our standard assortment.





"As part of our commitment to the Pact Against Food Waste (Pakt gegen Lebensmittelverschwendung), we have committed to achieve a reduction in food waste at our stores of 30 per cent by 2025 and 50 per cent by 2030.

We will achieve this by continuing to develop our measures against food waste and report on our progress annually."

CLAUDIA KINITZ
Director Corporate Responsibility Quality Assurance, ALDI Nord Germany

ALDI Portugal

170 TONNES

OF NEW PLASTIC ARE SAVED ANNUALLY

with bin liners made of 100% recycled plastic from ALDI operations (compared to bags made with virgin plastic).



ALDI Belgium

ALDI WON THE 'COMMUNICATION & MARKETING' AWARD

during the Fairtrade Frontrunner Awards. The accolade saluted the way we communicate about our Fairtrade commitment through our (digital) communication channels and through more traditional media (such as leaflets).





"We work through 'Fecha de Extinción' (date of extinction) to raise awareness about the importance of reducing our environmental impact and promoting more sustainable practices throughout the value chain and among consumers in general.

At a time when the production of some foods may be threatened by climate change, we strive to ensure a future where coffee, chocolate, bananas, honey, wine, and other products continue to be present in our pantries."

MARTA GRASA
Managing Director Marketing and Communication, ALDI Spain



RESPONSIBLE PRODUCT RANGES

As an international retailer, we reach millions of people of all ages and educational backgrounds, and from all walks of life. ALDI Nord aims to promote sustainable consumption with a good conscience at affordable prices for all customers. The development of responsible product ranges allows us to contribute to the UN Sustainable Development Goal 12 – 'Responsible consumption and production: ensure sustainable consumption and production patterns'. We strive to enable our customers to consume responsibly by offering a selection of vegan, vegetarian and organic foods, alongside sustainably certified products. Our efforts to provide a responsible product range have been spearheaded by introducing a series of measures, including promotion of healthy food, use of more circular packaging, prevention of food waste, protection of natural resources, better waste management, reduction of microplastics, and increased animal welfare.

Packaging is becoming increasingly important for ALDI Nord because it is linked to emissions of greenhouse gases and increasing pollution in the world's oceans. As a food retailer, packaging plays a pivotal role in preserving freshness and enhancing food safety, as well as safeguarding product integrity, and facilitating usage for customers and handling by staff in our stores.

The rising demand for packaging must also be seen through the prism of the finite availability of raw materials. We want to avoid wasting resources such as oil, petroleum, energy, and water at the production and packaging stages, increase the use of recycled plastic in our packaging, make it easier for consumers to dispose of packaging properly, and work on further developments and research. Limiting food waste is also necessary since disposal of unused food is a significant misuse of natural resources.

An important topic is the use of microplastics in our product ranges. Hygiene, cosmetic and household products, and textiles made of synthetic fibres are examples of a source of primary microplastics and synthetic polymers, which are not biodegradable and accumulate in the environment causing water pollution. Secondary microplastics from single-use and improperly disposed of plastic packaging have a similar environmental impact.

Another area of concern is animal welfare. Animals reared in factory farms often face overcrowded conditions, restricted exercise, unnatural diets, and routine use of antibiotics.

OUR APPROACH

GRI 301/3-3, 306/3-3, 416/3-3 Offering our customers high-quality products has entailed establishing comprehensive quality assurance and management processes throughout our value chains. Our private label products are subject to strict quality standards developed in cooperation with our suppliers and procurement teams. Since 2022, we have implemented Employee Tastings at the ALDI Nord Campus where our employees can evaluate our private label products. During the reporting year, we continued to develop this concept. The Employee Tastings integrate the preferences of our potential customers more firmly into the quality assurance process. Independent quality and sustainability labels by consumer organisations or NGOs regularly confirm the excellent quality of our private label products.

GRI 2-6, 204/3-3, 306-1, 417/3-3 Waste prevention and promotion of the circular economy are key pillars of sustainable development. One primary focus at ALDI Nord is the development of measures to reduce food waste and provide more sustainable packaging within a circular economy.

Circular packaging

The ALDI Nord Group has defined SMART goals in an international, competitive market because we are increasingly concerned about the growing amount of plastic waste. This is particularly the case in places with limited or no infrastructure for collecting, sorting, or recycling these valuable resources.

However, in many cases, plastic packaging can preserve the quality of its contents better than other materials, ensuring the quality and shelf life of the product. While we generally regard the various polymers for plastic packaging as a valuable resource for recycled material, we aim to use minimum packaging material within a circular economy. The consistent aim is always to ensure product safety, quality, and handling. Since using plastics for our private label packaging is unavoidable, we focus on recyclability and the use of recyclates, although both topics represent a significant challenge.

Our international packaging strategy follows the principle of a circular economy and focuses on four key pillars:

1 Material efficiency
2 Recyclability
3 Usage of recycled content
4 Virgin plastic reduction

Driving this strategy forward and gradually implementing and realising our goals entails working in a cross-functional approach with a range of specialist departments and in close cooperation with the country units. It is crucial that we take into account all country-specific needs and circumstances.

We have defined international SMART goals in these pillars and they can be found in our CR Agenda. In addition, ALDI companies also pursue national targets set out in our plastics and packaging strategies.

Working to combat food waste

GRI 306-1/2 Food waste is a global challenge that we are committed to tackling consistently. The materiality analysis underlines the importance of food waste reduction for us and our stakeholders.

The production of food uses valuable resources and generates climate-damaging greenhouse gases. Our goal is, therefore, to prevent food losses and waste within our business operations, throughout the whole value chain, and in our customers' homes. We support the Sustainable Development Goal 12.3 to halve per-capita global food waste at the retail and consumer level, and reduce food losses along production and supply chains by 2030. We are taking action across the Group to facilitate this objective. The ALDI companies have already implemented numerous measures over the years to minimise food surplus and waste in all areas. However, when food surplus cannot be avoided, we can work towards reducing food waste – in line with the food-waste hierarchy – by redistributing the surplus for human consumption or animal feed, reuse, and recycling. For further details on these measures, see the sub-section 'Reduction of food loss: our goals' below.

Healthy and sustainable nutrition

GRI 416/3-3 The ALDI countries are also addressing consumer needs in food, nutrition, and health. Alongside the challenges of rising levels of obesity and non-communicable diseases in the EU as a result of unhealthy nutrition, we are seeing growth in customer awareness of responsible consumption in the face of climate change. As we believe that healthy and sustainable food should be accessible to everyone, we continuously revise our labelled range of plant-based, regional, national and organic products. Using the latest technology and ingredients, we work closely with our suppliers within the framework of responsible food handling and the best possible product quality.

Microplastics

ALDI Nord defined specific requirements in relation to our suppliers and producers for avoiding certain substances in ALDI private label products in order to reduce microplastics and synthetic polymers in cosmetics and detergents. These substances include solid microbeads made of plastic and non-biodegradable synthetic polymers. Our quality department reviews all formulas for our private label articles to ensure they meet these requirements.

Animal welfare

ALDI Nord's animal welfare commitment aims to further improve the level of animal welfare in the production of our goods. We want to inform our customers and ALDI employees about animal-welfare issues through our product range, transparency, activities, and proactive dialogue.

ORGANISATION & GUIDELINES

GRI 204/3-3, 301/3-3, 417/3-3 The purchasing processes at ALDI Nord are carried out by the International Procurement (IP) department and the National Procurement departments. IP handles the purchasing of products for the ALDI countries where there is synergy within the supply chain due to international bundling opportunities. National Procurement is responsible for local purchasing of products with low international bundling potential. CRQA International advises on the assurance of quality and CR standards for the products purchased by IP. CRQA National is part of the relevant National Procurement department and it ensures that specific national considerations – such as food law requirements – and international regulations are fulfilled for all products offered in the relevant countries.

Our purchasing policies set and determine targets for the sustainable use of resources.

We have updated our ALDI Recyclability Guideline, which contains market and regulatory recycling infrastructure developments and a global Acceptance Overview for each main packaging format. This enables ALDI to harness recent recycling infrastructure advancements, and be an integral part of the circular economy. In the latest update to version 3.0, we focused on the usability of our guide and made significant improvements. All relevant national specifics relating to Design for Recycling are now listed in a tabular overview for each packaging type. This enables us to accurately assess which material is the most suitable for recycling.

The food-waste and sustainable packaging topics are the responsibility of the Climate and Resource Use unit in the international Corporate Responsibility and Quality Assurance department. This restructuring allows a more integrated understanding of the environmental impacts of our products and packaging. The Climate and Resource Use teams have joined forces to establish an approach for measuring food waste and packaging measures based on their carbon footprints.

ALDI Nord also has an International Animal Welfare Policy, which is under the responsibility of the international CRQA department. The policy requirements are contractually binding for the suppliers of the relevant food and non-food private label products containing animal-based resources. On a national level, most countries have adopted National Animal Welfare Purchasing Policies, and Germany updated its policy in 2023.

Our international policy also stipulates a ban on fresh battery-produced eggs and battery eggs used in processed private label products no later than 2025 in all ALDI countries. Our participation in the Egg Track Report 2023 published by Compassion in World Farming (CIWF) highlights this commitment. We have already reached our target in Belgium, and France has 94.3 per cent cage-free eggs.

Regulations

GRI 301/3-3, 306/3-3, 306-1/2, 416/3-3 Rather than waiting for legislation to come into force, we aim to identify regulatory developments and implement changes ahead of time wherever possible. CRQA and the Public Affairs department monitor regulatory developments such as product and packaging requirements and taxes, to provide advice for the relevant departments.

European regulation for packaging and packaging waste

Every year, multiple regulatory developments affect the packaging of our products. We focus on the goals of the EU Green Deal, the European Plastics Strategy, and the EU Single-Use Plastics Directive.

In addition to the regulations that are already relevant for us (see Sustainability Report 2021), we are preparing for the new EU Packaging & Waste Regulation (PPWR).

In June 2023, ALDI Netherlands implemented the Single-Use-Plastic Directive's charge for customers in our stores (consumption to go). Customers pay a fee when they buy food products in single-use disposable plastic containers or cups. Since January 2024, there has been a complete ban on single-use plastic containers and cups for consumption on-site. Because this ban applies less to products sold in stores and relates more to situations such as office vending machines, it also applies to the ALDI Netherlands office buildings. Further national regulations also tackle waste avoidance.

In France, the 'loi anti-gaspillage pour une économie circulaire' (anti-waste law for a circular economy) has been in place since 2020 ahead of EU regulation. Within this framework, plastic packaging for fruit and vegetables weighing less than 1.5 kilogrammes was banned in 2022 – a reduction of more than 500 tonnes of plastic packaging each year for ALDI France compared to before the ban.

In Spain, there are also two new national regulations relating to the circular economy, packaging, and waste (Royal Decree on packaging and packaging waste, law on waste and contaminated soils for a circular economy). These regulations set new goals and measures for preventing, reducing, and recycling waste, including a plastic tax for all non-recycled plastic.

Regulation on the topic of food waste

National legislation to deal with food waste has been enacted in various ALDI countries. However, we donate food that is no longer marketable but still edible in all ALDI countries. Promoting a harmonised approach in all countries, we published the ALDI Nord Guideline for the Prevention of Food Losses and Food Waste that details our commitment. This guideline applies to all food products sold by ALDI Nord and regulates the handling of food surplus. It is binding for the ALDI companies and their business partners.

Responsible product design

Regulations increasingly influence the product design of ALDI Nord by requiring the integration of sustainability, for example, in circularity, energy efficiency, traceability, and environmental compatibility. These aspects include the Circular Electronics Initiative, part of The Circular Economy Action Plan (CEAP) adopted by the European Commission, the Ecodesign for Sustainable Products Regulation (ESPR), and the EU Regulation on the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), which covers the usage of microplastics. Additionally, the Extended Producer Responsibility (EPR) makes producers responsible for their products at the post-consumer stage of the lifecycle. It has been expanded to further product categories and requires environmental considerations to be made when designing a product.

The European Commission is additionally addressing the challenges in the textile sector and has developed the Strategy for Sustainable and Circular Textiles as part of the European Green Deal and Action Plan. This strategy aims to make textiles more durable, reusable, and recyclable. The Digital Product Passport is part of the ESPR and also defines requirements for the provision of product-related information. A 'product passport' is defined in ESPR as a product-specific, electronically accessible dataset (for the provision of product-related information). It contains all the product-related information that can be shared with the supply chain, consumers, and authorities. The Digital Product Passport is a tool that provides detailed information on the origin of product components, material composition, repairability, and appropriate disposal. It aims to help consumers make more sustainable choices. The textile sector is one of the first to be affected.

PROGRESS & MEASURES 2023

GRI 204/3-3, 301/3-3, 306-1/2, 416/3-3, 416-1, 417/3-3, 417-1

Microplastics

At ALDI Nord, we are working on removing solid microplastics from all our detergents and cosmetic products. We are cooperating with all suppliers to remove non-biodegradable polymers from synthetic polymers and replace them with alternative environmentally friendly ingredients.

Personal safety of consumers

At ALDI Nord, we ensure the personal safety of our customers by inspecting all items before they are delivered, and at regular intervals while they are in stores. We work with certified external laboratories that subject our products to chemical, microbiological, physical and mechanical tests based on a risk-oriented analysis plan.

In addition, we have defined limit values for a large number of critical ingredients and chemicals. We are stricter in our definition than the corresponding statutory limit values.

Beyond our Packaging Strategy: the goal to promote a circular economy

At ALDI Nord, we critically assess the use of plastic packaging in relation to product protection and quality requirements. We work systematically with our suppliers and are guided by the principles of the circular economy, 'Reduce. Reuse. Recycle.' In 2023, we published the following international goals to reduce packaging consumption and promote the circular economy:

1. 15 per cent less packaging for private labels by 2025 (base year 2020, in relation to sales)
2. 100 per cent reusable, recyclable, and compostable private label packaging by 2025
3. 30 per cent recycled content in private label plastic packaging by 2025 (at least and on average)
4. 20 per cent less virgin plastic in private label packaging by 2025 (minimum target with base year 2020 in relation to sales)

The PackagingLab relates to comprehensive workshops for purchasing departments so as to systematically improve our private label packaging. In 2023, the focus of these workshops shifted towards preparation for the upcoming PPWR and the associated impact on ALDI Nord. In addition to optimising the recyclability of our packaging, we have focused on reducing material with a particular emphasis on plastic in our private label packaging. In Germany alone, we saved around 57,000 tonnes of general packaging material and 8,400 tonnes of plastic in private label product packaging in 2023 compared with 2020. During the same period, we saved 35,200 tonnes of packaging material across all ALDI countries, 18,000 tonnes of which were from private label products with plastic packaging. In total, the amount of virgin plastic in our private label packaging has already been reduced by about 16 per cent compared to 2020.

Some ALDI countries are pursuing further national initiatives. ALDI Portugal is part of the Portuguese Plastic Pact and the Smart Waste Portugal Association. We submit data reports and details of our improvements to this association every year. ALDI Netherlands is investigating the possibility of reuse in supermarket packaging formats as part of the PlasticPact coalition.

Our International Packaging Database has been developed further to leverage granular traceability at component and material levels for international and national assortments and at all packaging levels.

Improvement of recyclability

We are committed to improving the recyclability of our private-label packaging with a view to a circular economy. To take one example, our fresh meat articles are no longer sold in black or coloured packaging.

The focus for ALDI France in 2023 was on reducing the impact of our sourcing, bleaching, and printing with the outcome of improving recyclability. We established new requirements for our shelf-ready packaging cardboard, including FSC certification, chlorine-free bleaching, acrylic varnish, and minimum print rate. In the fresh meat and fish category, ALDI France worked on new specifications for the trays of our core products. We have defined a maximum tray size to reduce plastic tonnage and banned non-recyclable materials such as polystyrene and multi-material. These requirements were shared with all our suppliers in late 2023 with a view to deployment in 2024.

Increased use of recycled materials

Maximising the reduction of packaging consumption and minimising its environmental impact are our aims and we strive to reduce, reuse, and recycle, including within closed-loop concepts.

As part of ALDI Nord's sustainability efforts, ALDI Nord Germany is setting a good example by demonstrating the use of secondary raw materials to create real closed cycles. From mid-June 2023, the laundry detergent Tandil 3in1 Active Capsules and Colour Capsules were sold in new packaging throughout most German ALDI stores. The box comprises 92 per cent post-consumer recycled material, namely packaging waste that consumers dispose of at home for recycling. The remaining 8 per cent are additives (for example to stabilise the material). This optimised packaging saves around 60 tonnes of virgin plastic each year in relation to the sales volume of ALDI in Germany in 2022. The lid and box are made from the same material, making the packaging highly recyclable. The box results from the Recycling Alliance that ALDI signed with Interseroh+ in 2022, a subsidiary of the recycling service provider Interzero and our partner for the licensing of packaging in Germany.

ALDI Portugal also launched private label Folia 50-litre ECO bin liners in 2022. The bags are made of plastic film from our operations, making the plastic 100 per cent recycled. These bags enable us to save around 170 tonnes of plastic a year and promote the circular economy.

Our packaging improvements at ALDI Spain include removal of the plastic seal from mayonnaise jars, and a two gramme weight reduction in the packaging of aromatic herbs, with 80 per cent of the packaging made from rPET. The aromatic herb packaging changes will enable us to avoid around 13 tonnes of plastic annually.

Customer information on correct sorting of packaging

Our responsibility for packaging doesn't end with the sale of our products, as we inform the consumer about the correct sorting of packaging materials. ALDI Nord is in favour of the PPWR as a uniform approach to the harmonisation of sorting symbols to simplify the recycling sorting for customers in EU countries. Currently, the issue is extremely complex due to varying infrastructures for collecting, sorting, and recycling.

As part of the German ALDI 'Verpackungsmission' (Packaging Mission), we print information about the proper sorting of packaging materials on nearly all private label products in Germany. These sorting instructions help our customers separate their waste and enable the appropriate recycling processes. At ALDI Portugal, ALDI Netherlands, ALDI Spain, and ALDI Poland, waste sorting and recycling instructions are also printed on all packaging for private label products.

Since April 2023, supermarkets in the Netherlands must take back beverage cans alongside the deposit system. As a result, all deposit machines had to be converted to accommodate the large volume of metal cans. This resource-saving measure also benefits the environment.

Focus: increased unpacked fruit and vegetables

The product range of fruit and vegetables is one of the priorities in our efforts to reduce the use of packaging. However, some products, such as delicate berry fruits, require packaging for quality and safety reasons.

Working together with our suppliers, we eliminate and reduce packaging for fruit and vegetables wherever possible by using less plastic and/or replacing it with certified paper, cardboard packaging, grass-based paper, or other sustainable materials. Our reusable transport and packaging systems and reusable crates have already saved millions of disposable cartons and tonnes of CO_2e in ALDI countries. At ALDI Spain, we are incorporating more sustainable packaging such as replacing plastic trays, banners, and ribbons with cardboard and FSC-certified paper, or substituting FSC paper bags for netting.

In 2023, we replaced plastic trays in the Netherlands with plastic bags for ready-to-eat and pre-chopped vegetables, reducing plastic use by 80 per cent per pack. The plastic wrapper around the Brekies fruit biscuit is now made of paper, which saves around 4,000 kilogrammes of plastic on an annual basis, and plastic lids have been removed from 500 gramme yoghurt pots.

At ALDI Portugal, we are replacing plastic trays for fruit and vegetables with certified cardboard trays, reducing the amount of plastic per packaging by an average of 70 per cent. In Portugal, we offer at least 58 per cent of private label fruit and vegetables without packaging in our stores to reduce packaging waste. We have also replaced flow-packs with banderoles when packaging bananas in Belgium, Germany, and France. The same packaging solution has been adopted with bananas and courgettes in Portugal. Another positive effect resulting from expansion of unpackaged fruit and vegetables is that it allows consumers to shop according to their needs, and this can in turn further reduce food waste.

Sustainable carrier bags and reusable fruit, vegetable, and bread bags

All our ALDI stores are introducing more sustainable alternatives such as carrier bags and pouches for our products, and replacing single-use plastic bags. For further information, see CR Agenda. Washable and reusable nets for fruit and vegetables are more environmentally friendly than traditional thin plastic bags, and they are available at the ALDI stores in Germany, Spain, the Netherlands, Belgium, Portugal, and Luxembourg. ALDI Nord Germany, ALDI Portugal and since 2023 ALDI Belgium sell reusable nets for bread made of cotton and recycled polyester. Since 2023, ALDI Spain has been using recycled paper bags, biodegradable plastic bags, and raffia bags. In 2023, ALDI Portugal introduced new reusable and long-life shopping bags made from 100 per cent recycled polypropylene. These represent a creative and assertive statement about the brand's commitment to protecting the environment and its natural resources.

BAGS SOLD/GIVEN AWAY

Number of bags sold/given away by type (in thousands)

	2021[1]			2022[1]			2023[2]		
	Total[3]	Short-life bags[4]	Long-life bags[5]	Total[3]	Short-life bags[4]	Long-life bags[5]	Total[3]	Short-life bags[4]	Long-life bags[5]
Belgium/Luxembourg[6]	4,088	–	4,088	5,490	1,706	3,784	6,562	1,527	5,035
Denmark	2,532	6,593	2,525	2,181	–	2,181	–	–	–
France	18,537	10,737	7,800	26,991[7]	16,249	10,741	25,801	13,173	12,628
Germany	22,746	–	22,746	25,947[8]	8,346	17,602[8]	33,347	15,956	17,391
Netherlands	5,045	1	5,044	5,429[8]	1,272	4,156[8]	6,247	2,485	3,761
Poland	9,575	9,181	394	3,356[8]	1,635[8]	1,721	3,718	1,840	1,878
Portugal	7,148	6,217	931	6,025	4,127	1,898	5,934	3,621	2,313
Spain	28,926	27,707	1,220	13,063[9]	11,269	1,793[9]	16,253	15,613	640
ALDI Nord	**98,597**	**53,850**	**44,748**	**88,481**	**44,605**	**43,877**	**97,861**	**54,214**	**43,647**

1 Due to adjustments in the data collection and validation policy, the data for 2021 and 2022 may deviate compared to the information published in the previous year's report.
2 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
3 The totals of short-life bags and long-life bags may differ due to rounding.
4 Short-life bags: These include the paper and plastic carrier bag (incl. single loop-handle carrier bag).
5 Long-life bags: These include the cotton bag, jute bag, reusable bag, coloured carrier bag, permanent bag, cooling bag and plastic box. From 2020 onwards, this also includes the reusable loop-handle carrier bag and OGATA backpack, and from 2022 reusable bags for fruit and vegetables, and bakery product bags.
6 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
7 The sharp increase in bags sold/given away is attributable to the opening of many new ALDI stores in France in 2022.
8 The value for 2022 was corrected in comparison to the information published in the previous year's report.
9 The value for 2022 was corrected in comparison to the information published in the previous year's report due to an update in the calculation methodology.

Reduction of food loss and waste: our goals

GRI 306-3/3, 306-2 As part of the Farm to Fork strategy, the EU sees tackling food loss and waste as a key to greater sustainability. Our goal is to ensure optimal availability of all products on our shelves while avoiding food loss and waste – from our operations through the supply chain, all the way to our customers. The ALDI companies have already implemented numerous measures over the years to minimise food loss and waste in all areas, starting with accurate planning of daily orders using an intelligent order system. We also prevent food waste by making use of short and efficient transport routes, and deploy various measures to avoid loss of quality, including maintaining the cold chain, superior product protection, and improved air flow and temperature protection. The FIFO method (First In, First Out) of replenishing goods in stores also ensures that our products remain fresh even longer.

When products near their expiry date, they are marked with a discount sticker and sold at a discount in all ALDI Nord stores. Our customers can buy these premium quality products at a reduced price. However, when food surplus cannot be avoided, redistribution for human consumption or animal feed and recycling are a high priority.

We continued to roll out the write-off reason code in 2023, giving our companies a better way to record and track food waste in stores. This will provide us with a better insight into the management of our write-offs and enable us to

take action accordingly. The roll-out has been completed in all ALDI countries except ALDI Poland where roll-out completion is planned in 2025.

In 2023, ALDI Nord Germany signed a voluntary commitment with the Federal Ministry of Food and Agriculture (Bundesministerium für Ernährung und Landwirtschaft). The commitment results from our participation in the multi-stakeholder initiative Dialogue Forum Wholesale and Retail. The core target in accordance with SDG 12.3 is to achieve reduction in food waste of 50 per cent by 2030. In addition, further measures must be implemented and reported on transparently every year.

Reduction of food waste through cooperation

We also cooperate with partners to reduce food waste. Our aim is to have all ALDI stores working with a food-waste redistribution partner, including food banks and organisations that redistribute food for human consumption. At ALDI Belgium and ALDI Netherlands, selected products such as meat and some vegetables are frozen shortly before their expiration date to enable safe redistribution. Discounts and food donations helped ALDI Spain to prevent 5,460 tonnes of food waste in 2023, including 3,228 tonnes with the discount measure alone.

Food waste is an important topic for ALDI Netherlands and Dutch customers. In 2023, we extended our pilot of Too Good To Go – the app to save unsold food products – from twelve to 66 stores across the Netherlands. In the reporting year, ALDI Netherlands filled 56,000 Too Good To Go boxes with premium food, representing a waste reduction of almost 225,000 kilogrammes. ALDI Netherlands has increased cooperation with food banks (Voedselbanken Nederland) with a new contract, simplified procedures, and improved processes. The aim is to enable all stores and distribution centres to donate surplus food to local food banks. Currently, 419 stores (86 per cent), all distribution centres, and head office, donate food through the cooperation. Strengthening this collaboration is particularly important since foodbanks have experienced a decrease in food donations by retailers, while experiencing a rise in the need for donations. Furthermore, unsold bread from all Dutch ALDI stores is recycled into animal feed by a partner.

In addition to donating our retail products, ALDI Spain also works with social organisations to donate surplus products from tasting events and trade samples. In the reporting year, ALDI Spain launched 'Sabrosas Sobras' ('Tasty Leftovers'), a website based on generative artificial intelligence. The tool was made available to users on 29 September 2023 to mark the International Day of Awareness against Food Loss and Waste. Consumers can enter their leftover ingredients into the free digital tool to receive various recipe suggestions to prevent food waste.

ALDI Nord Germany participates in the 'Tafel macht Zukunft' (Future of Food Banks) project, which aims to simplify food donations to food banks with digital solutions, such as digital delivery notes. Additionally, ALDI Nord Germany offers products such as 'Wetteräpfel' ('Weather Apples'). These are apples that do not meet the specific EU marketing standard. They have increased skin defects due to extreme weather conditions such as hail and they are labelled 'for processing'.

ALDI Portugal offers many unpacked products enabling customers to buy the quantities of fruit and vegetables, bread and bakery products, and frozen fish and seafood they need. In addition, when a surplus is unavoidable, and fresh meat and fish products are no longer suitable for human consumption, we send the products to a partner to be turned into animal feed. All ALDI Portugal stores have partnerships with charities to donate food. We participate in the annual nationwide awareness campaign 'Movimento Unidos Contra o Desperdício' ('Movement United Against Waste'), and publish recipes based on food surpluses for our customers. At ALDI Portugal, we continued the BreadBeer Project in 2023, and worked on additional projects to make products from surplus food.

ALDI Poland has established multiple cooperative projects with local charities, the largest being Caritas Poland and Food Banks.

An additional measure is training staff to increase awareness internally. As part of this drive, ALDI Spain and ALDI Belgium work closely with the sales and HR departments to train and support the team in relation to food waste.

GRI 306-3

FOOD DONATIONS

Share of stores that donate unsaleable yet still edible food to charitable institutions as a proportion of the total number of stores (in per cent)

In general, we manage goods so as to prevent losses to the greatest extent possible. Wherever possible, any surpluses should be donated. However, not all locations have access to partners that accept food donations.

	2021	2022	2023[1]
Belgium/Luxembourg[2]	65.9	79.1	83.1
Denmark	28.4[3]	26.6[3]	–
France	49.7	47.1	54.8
Germany	97.4	97.9	98.3
Netherlands	78.7	80.0	86.4
Poland	96.2	93.5	90.0
Portugal	100.0	100.0	100.0
Spain	66.7	69.5	91.5
ALDI Nord	**76.6**	**77.6**	**84.4**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 In 2021, 28.4 per cent of stores in Denmark were donating (due to a drastic decrease in donation partners). In 2022, the numbers remained stable in comparison to the previous year. However, 100 per cent of stores in Denmark had a partnership with Too Good To Go to prevent food waste.

Meeting customer demands for sustainable products

GRI FP-2, FP10/3-3 In addition to our efforts relating to waste reduction, the ALDI countries are addressing consumer needs in food, nutrition, and health. The national assortments include a variety of organic, vegetarian and vegan, sustainably certified, and Fairtrade products.

Organic products

The origin of products plays an increasingly important role in environmental concerns and the social conditions of production countries. The ALDI companies offer 892 private label products bearing the EU organic logo. In addition to the EU organic logo, other labels and private labels are used to identify organic products.

In May 2023, ALDI Nord Germany started a partnership with Naturland, and offers several products that are EU-organic and bear the Naturland label. For each product sold, money goes into a fund that supports farmers' biodiversity measures, like replanting hedges, clover grass, or overwintering catch crops.

Vegetarian and vegan products

We are seeing a shift in dietary needs and habits, and a trend towards a plant-based and more climate-friendly diet. ALDI Nord therefore continues the roll-out of the international MyVay private label for vegan and vegetarian products. At the same time, we are consistently working on optimising the sustainability of our products. One goal is for the soy in our soy-based vegan and vegetarian products to be 100 per cent certified and/or of European origin by the end of 2024. For further details on the procurement and cultivation of soy, see here.

In January 2023, ALDI Nord Germany once again held its Veganuary month. We informed our customers about the Veganuary week through the internal employee app, press releases, and the magazine, and launched several vegan special offers. The in-house canteen also took part in the campaign week.

Fairtrade products

As outlined above, the origin of products is playing an increasing role in environmental concerns and the social conditions of production in the countries of origin. In the year under review, the proportion of Fairtrade products increased in most ALDI countries. Throughout 2023, our ranges featured 429 Fairtrade-certified products – an increase of 29 per cent compared with 2022 at the international level. ALDI Belgium remains the only retailer in Belgium to offer 100 per cent Fairtrade roses all year round. Fairtrade carnations were one of the results from several workshops held at the beginning of 2023 between the procurement department of ALDI Belgium and Fairtrade Belgium. These workshops explored opportunities to broaden the Fairtrade product range in our stores.

Easter and Christmas products represent the largest share of Fairtrade products in the ALDI countries. Inflation has been one of the factors leading to a decline in demand for some product categories. Products in categories that are more expensive than comparable products are particularly impacted by the decline.

GRI FP2

ORGANIC AND FAIRTRADE PRODUCTS

Number of private label products with EU organic logo and number of procured private label products with Fairtrade certification in the standard and special-buy product ranges[1]

Some ALDI countries have taken into account the current economic situation and the change in customer behaviour, and adjusted their product range to reduce the emphasis on organic products. As a result, there has been a decrease in the number of organic products compared to the previous year.

	2021		2022		2023[2]	
	Organic products	Fairtrade products	Organic products	Fairtrade products	Organic products	Fairtrade products
Belgium/Luxembourg[3]	189	32	158	41	95	106
Denmark	243	41	314	15	–	–
France	221	31	156	27	100	27
Germany	371	201	280	186	284	151
Netherlands	83	69	40	71	38	82
Poland	32	70	35	56	14	38
Portugal	228	80	188	76	191	81
Spain	295	65	304[4]	75	289	66
ALDI Nord	**1,378**	**294**	**1,104**	**332**	**892**	**429**

1 Since certain products are purchased jointly for several countries, the total number of insourced products may be lower than the total of the breakdowns by country.
2 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
3 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
4 The value for 2022 was corrected by comparison to the information published in the previous year's report.

LABELLED VEGETARIAN AND VEGAN PRODUCTS

Number of listed food and non-food private label products labelled as vegan or vegetarian from the standard and special-buy product ranges[1]

In addition to the labelled products, ALDI Nord offers wide ranges of non-labelled vegetarian and/or vegan items.

	2021	2022	2023[2]
Belgium/Luxembourg[3]	70	120	104
Denmark	62	62[4]	–
France	25	26	49
Germany	421	456	561
Netherlands	115	95	134
Poland	84	64	99
Portugal	114	164	199
Spain	202	198	253
ALDI Nord	**872**	**975**	**1,134**

1 Since certain products are purchased jointly for several countries, the total number of insourced products may be lower than the total of the breakdowns by country.
2 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
3 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
4 ALDI Denmark reports the same data for 2022 as for 2021, as a decision was taken to withdraw from the Danish market at the end of 2022.

How small changes in our product recipes help customers eat more healthily

GRI 416-1 We are continually adapting the recipes of our private label products to meet new regulatory requirements and changing customer demands, while maintaining the same product quality and excellent taste.

The extension of the Nutri-Score to all ALDI countries represents a significant step towards greater transparency and can point our customers towards healthier products.

Standards for healthier food formulations

In recent years, several national initiatives and agreements have been established in the ALDI countries to set standards for more healthy food formulations. Many efforts to create healthier food formulations are directed towards reducing the salt, sugar, and fat content, or increasing the fibre content of products. In 2023, ALDI Netherlands worked on improving products in the categories of cold cuts, fresh spreads, canned fruits, fruit spreads, and several frozen food groups. As a result, we improved over 30 products, saving a total of over 22,840 kilogrammes of sugar, 3,103 kilogrammes of salt, and 41,820 kilogrammes of fat each year.

How ALDI Nord promotes healthier lifestyles with campaigns and activities

One contribution we can make is the reformulation of products, but we also actively promote healthier eating in a variety of campaigns and offerings. Consumer demands have led to the expansion of fresh products in our stores, the promotion of healthier nutrition for children, and other campaigns.

In 2023, ALDI Spain launched the Spanish Nutrition Habits Study. This survey was conducted by ALDI Spain on a sample of more than 1,600 participants. The results show that 81 per cent of participants consider their eating habits to be healthy and 61 per cent of them change their eating habits in summer. The sensitivity to nutrition among the population in Spain is also reflected in customer consultations. ALDI Spain has seen a rise of 18 per cent in nutritional awareness consultations (ingredient aspects, allergens, product origin, nutritional topics, and production processes) in 2023 compared to 2022.

In 2023, ALDI Portugal cooperated with a nutritionist to provide consumer communication on making easier, and healthier food choices, as well as practical tips for a nutritious diet (plant-based, allergy-friendly alternatives) and varied recipes.

ALDI Belgium joined 'Nutri-Pact: a coalition for better food' in a new joint initiative between the Belgian food industry federation Fevia and the Belgian trade and services federation Comeos to help consumers make healthier choices. One commitment is to further improve food composition by focusing on the Food Based Dietary Guidelines, specifically by adding more whole grain cereals, fruit and vegetables, legumes and nuts, and seeds to the product range. Food composition can also be improved by reducing sugar and salt content, and increasing fibre content. If product reformulations are not possible for some products, portion sizes may be reduced. The website shows the best practices of their members, including some key nutritional improvements carried out by ALDI Belgium.

Commitment to greater animal welfare: meeting customer expectations for more ethical products

GRI FP10/3-3 Since September 2022, ALDI Belgium's standard range has included seven products that meet the European Chicken Commitment criteria. In 2020, ALDI France, ALDI Nord Germany, and ALDI Spain committed to meeting the ECC standards by 2026. ALDI France has also committed to 20 per cent free-range for all private label products with chicken-meat content of more than 50 per cent by 2026.

ALDI Nord Germany aims to define the standard option as products sourced from suppliers taking animal welfare seriously. The suppliers of the private label range of fresh meat (beef, pork, chicken, and turkey, excluding international specialities and frozen products), cold cuts and sausage (beef, pork, chicken and turkey, excluding international specialities, convenience products and ready meals), and the private label milk range (fresh and UHT) are being converted to husbandry systems that place more emphasis on animal welfare. ALDI Nord Germany already stocks meat and dairy products produced according to the specifications of the two highest husbandry levels.

In husbandry level 3, the animals have access to fresh air and additional space, while the top husbandry level 4 enables animals to spend time outdoors and provides even more room.

A significant part of ALDI Netherland's activities is related to the Beter Leven quality label of the Dutch animal protection agency (Dierenbescherming). All fresh eggs offered by ALDI in the Netherlands have been certified according to the 1, 2, or 3 star Beter Leven standard. From early 2024, all fresh chicken meat sold in stores was at least 1 star Beter Leven certified, meaning that chickens have more space in the barn, environmental enrichment, and access to an outdoor area. Since the end of 2021, this has already applied to chicken cold cuts and all seasonal chicken products. Around 97 per cent of the pork in fresh meat and cold cuts is already 1 star Beter Leven certified.

In 2023, 12 per cent of the sales volume of the cheese articles (pieces and slices) was certified with the On the Way to PlanetProof label. In total, more than 64 per cent of the volume of fresh dairy (milk, yoghurt, and vla varieties) was On the Way to PlanetProof or organic certified. At the end of 2023, nine standard assortment cheese articles carried the On the Way to PlanetProof label. We continually add more dairy articles that meet On the Way to PlanetProof or organic requirements to our assortment, making it even easier for our customers to make more sustainable choices in our stores.

At ALDI Spain, most of our meat assortment (more than 80 per cent) holds some form of animal welfare certification recognised in the Spanish market (Animal Welfair®, IAWS, GlobalGap), demonstrating our commitment to ethical and responsible practices throughout our supply chain.

Since July 2023, ALDI Portugal has only sold fresh chicken meat under the exclusive ALDI brand with Welfair® certification in our standard range.

SHELL EGGS FROM CAGE-FREE FARMING

Share of cage-free private label shell eggs as a proportion of the total number of procured private label shell eggs (in per cent)[1]

	2021	2022	2023[2]
Belgium/Luxembourg[3]	100.0	100.0	100.0
Denmark	100.0	100.0[4]	–
France	99.3[5]	100.0	100.0
Germany	98.1	100.0	100.0
Netherlands	100.0	100.0	–[6]
Poland	100.0	100.0	100.0
Portugal	100.0	100.0	100.0
Spain	100.0	100.0	100.0
ALDI Nord	**99.9**	**100.0**	**100.0**

1 KAT-certification is not reported separately anymore, as 100 per cent KAT-certification was achieved in all countries.
2 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
3 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
4 ALDI Denmark reports the same data for 2022 as for 2021, as a decision was taken to withdraw from the Danish market at the end of 2022.
5 Since March 2021, ALDI France has stopped selling caged shell eggs and has thereby achieved a goal which was scheduled to be achieved in 2025.
6 ALDI Netherlands only sells shell eggs with 1, 2 or 3 stars of the Beter Leven standard. The minimal level is a barn egg with fenced outdoor area. Cage eggs have not been sold since 2016.

CAGE-FREE PRIVATE LABEL PRODUCTS CONTAINING EGGS

Amount of sold cage-free private label products containing eggs as a proportion of the total number of sold private label products containing egg from the standard and special-buy product ranges (in per cent)

	2021	2022	2023[1]
Belgium/Luxembourg[2]	88.2	99.2	99.2
Denmark	100.0	100.0[3]	–
France	93.4	98.1	98.7
Germany	99.9	99.8	100.0
Netherlands	100.0	100.0	100.0[4]
Poland	40.8	73.6	82.2
Portugal	43.0	44.1	66.5
Spain	56.0	56.3	65.0
ALDI Nord	**92.9**	**94.0**	**96.3**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 ALDI Denmark reports the same data for 2022 as for 2021, as a decision was taken to withdraw from the Danish market at the end of 2022.
4 This figure does not include the data of products purchased nationally by the Netherlands. It has been a longstanding contract demand that no cage eggs shall be used in our products.

Awards and international recognition

GRI 204/3-3, 416/3-3, 417/3-3 We are reviewing the development of our sustainable product ranges based on the targets defined in the Purchasing Policies and strategies. Monitoring the progress of these policies and strategies is carried out by conducting supplier surveys and audits, for example, product optimisation of nutritional values such as salt, sugar, fat, sodium, and the proportion of fruit, vegetables, and fibre. Our commitment is recognised by various institutions and NGOs. Awards and rankings also help us understand how we perform and how to improve.

Across all countries, ALDI Nord received the best ranking for retailers in the 2023 Chocolate Scorecard from Be Slavery Free. The product ranges in the individual countries of the ALDI Nord Group have also received awards. Below is an overview of the latest awards.

International test results by organisations such as the Union fédérale des consommateurs (UFC Que Choisir) (French Federal Consumers' Union) show our commitment to high-quality products. The organisation conducts independent testing of products based on a strict protocol, evaluating them for functionality, ergonomics, and safety. A new environmental rating has been introduced, penalising the use of compounds harmful to marine environments. In this context, our private label Tandil has secured the top position for the third consecutive time, surpassing 22 other national brands with much higher price points.

For the second consecutive year, ALDI France's products have been recognised as 'Flavour of the Year 2023'. A total of 23 of ALDI France's private label products have been awarded by a consumer jury. In France, we are the most awarded retailer in the 'local products' category, particularly with our 'Pays Gourmand' (Gourmet Country) range that highlights regional specialities.

In 2023, ALDI Portugal was the most awarded brand by Sabor do Ano (Flavour of the year), the leading quality award in Portugal's food sector, with 35 products distinguished by Portuguese consumers. For the third year in a row, our private labels were recognised by the Escolha do Consumidor (Consumer's Choice) 2023 in several categories. Furthermore, ALDI Portugal made its debut at the Prémios Top Beleza (Top Beauty Awards) and saw four of its skincare products awarded the 'Top Beauty' label in 2023.

In the reporting year 2023, ALDI Portugal won the Prémio Cinco Estrelas (Five Star Award) for the first time in the 'Supermarkets' category as the only brand honoured in the supermarket and hypermarket sectors. In addition, we were recognised as the 'leading supermarket' in vegan products with V-Label by the second edition of Ranking Veg Portugal, an initiative promoted by the Portuguese Vegetarian Association.

ALDI Spain was also recognised with the 'MSC Lifetime Achievement in Sustainable Fisheries' at the third edition of the Mares para Siempre Awards in the reporting year. The award is promoted by MSC and highlights the company's fourteen-year track record in certifying its seafood products to promote sustainable and environmentally responsible consumption.

Six products of the ALDI Netherlands assortment won the 'private label product of the year' award, and another seven products won the 'best product of the year' award in 2023. In Belgium and Luxembourg, six of our private label products were named best products in 2023. ALDI Nord Germany also won the V-Label Award 2023 with the vegan smoked salmon product 'veganer Räucherlax' in the best fish and seafood alternative category.

Targets for responsible product ranges can be found in our CR Agenda.

PUBLIC PRODUCT RECALLS

The number of publicly recalled products broken down into food and non-food products

	2021			2022			2023[1]		
	Total	Recalls food	Recalls non-food	Total	Recalls food	Recalls non-food	Total	Recalls food	Recalls non-food
Belgium/Luxembourg[2]	20	18	2	17	16	1	12	12	–
Denmark	12	10	2	6	3	3	–	–	–
France	55	51	4	30	27	3	23	21	2
Germany	8	6	2	8	4	4	10	10	–
Netherlands	6	5	1	6	5	1	5	5	–
Poland	1	1	–	3	2	1	–	–	–
Portugal	4	2	2	3	1	2	1	–	1
Spain	14	11	3	8[3]	6[3]	2	4	4	–
ALDI Nord	**120**	**104**	**16**	**81**	**64**	**17**	**55**	**52**	**3**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 The value for 2022 was corrected by comparison to the information published in the previous year's report.

TRANSPARENCY & COMMUNICATION

OUR APPROACH

GRI 417/3-3 Global governments and organisations are considering how to create effective incentives for more sustainable consumption. The United Nations defined the Sustainable Development Goals (SDG) as promoting responsible patterns of consumption (SDG 12). This topic is relevant to us since our customers make more than one billion purchases each year at our stores to meet their daily needs.

ALDI Nord provides information about healthy and sustainable food and non-food products and can to some extent influence consumers' eating habits and purchasing behaviour – as our materiality analysis shows. Food advertising often promotes highly processed foods containing added sugar, fat, and salt, and children under 14 years are particularly susceptible to advertising, even though there is concrete evidence for these harming their development. Responsible marketing helps children and their parents develop a healthy approach to food and prevents diseases.

We strive to promote a healthier and more sustainable lifestyle – and provide access to affordable, socially responsible products that conserve natural resources. Communication and transparency are key to this endeavour.

GRI 417/3-3 We use self-explanatory product labelling with clearly recognisable sustainability standards and labels to create transparency. The extension of the Nutri-Score for private food labels to all ALDI countries will be a significant step towards greater transparency. Although all ALDI countries are individually responsible for the respective national Nutri-Score registration relating to private labels, the products are registered according to the international brand roll-out, with further coordination on products excluded from labelling. Furthermore, we have established a roll-out process for labelling newly listed vegetarian and vegan food products with the V-Label and all relevant non-food products with the Vegan Trademark to help our customers identify these products. More than 1,130 products in all ALDI countries were identified by the V-Label or Vegan Trademark throughout 2023 compared to 975 items in 2022.

National use of specific private labels raises the profile of our vegan, vegetarian, regional, and national products, along with our organic and Fairtrade ranges. For further details on the specific national brands, see the Sustainability Report 2021.

We use various channels and formats to inform our customers about the social and environmental aspects of our products. Media such as customer magazines and customer apps, weekly leaflets, and advertising campaigns focus on our certified sustainable products. Furthermore, our ALDI Nord experts participate in specialist events, panel discussions, and roundtables to discuss sustainability topics, for example, ALDI Portugal in the Portuguese Plastic Pact and ALDI Belgium at the 'Next Food Chain' conference. In Spain, the CRQA director participated in the 11th 'Meeting Point Against Food Waste', organised by La Asosiación de Fabricantes y Distribuidores (The Manufacturers' and Distributors' Association).

Customer perception is an essential benchmark for measuring our success. Our ALDI Customer Compass survey therefore regularly provides data on customer perception of ALDI Nord in all operating countries, offers valuable insights (especially on our strategic development), and generates a database for day-to-day operations. We also gain insight into customers' opinions of the brand, pricing, product range, and in-store experience.

ORGANISATION & GUIDELINES

GRI 417/3-3 The promotion of sustainable consumption has always been anchored in our CR Agenda. The international Corporate Responsibility Quality Assurance (CRQAi) department advises internationally on the quality and CR standards of purchased goods, and it drives our sustainability activities. The international department cooperates closely with national CRQA colleagues and the Communications and International Procurement departments. CRQA national ensures that all products comply with legal requirements such as country-specific consumer protection laws and non-legislative initiatives. CRQA works closely with the national Procurement departments, Marketing and Communication, Human Resources, Supply Chain Management, and Sales departments on a national level. For further details, see also 'Sustainability approach'.

CRQA International develops international guidelines with CRQA national, representing a shared understanding of specific topics among all ALDI countries. This collective, in-depth understanding of a topic is the prerequisite for transparent communication with our customers.

Regulations

GRI 204/3-3, 417/3-3 The European Union (EU) already regulates many areas and sets strict requirements for products and certification, focusing on the welfare and protection of consumers, for example, the EU organic logo.

As part of the Farm to Fork strategy, the EU Commission is revising the Food Information to Consumers regulation (FIC), and is aiming for mandatory harmonised nutrition labelling on the packaging front. The label will cover the nutritional, climatic, environmental, and social aspects of food, and extend mandatory origin and provenance information for certain products. The Commission also plans to revise EU rules on date marking to address the misunderstanding of 'use by' and 'best before' date marking that contributes to food waste. It remains uncertain when the new proposal for mandatory front-of-pack (FOP)

nutritional labelling will be tabled. However, ALDI Nord will continue to monitor these developments. Find more information here.

An EU-wide mandatory country-of-origin labelling system is already in force for certain agricultural products such as fruit and vegetables, and this will be expanded when the revised FIC comes into force. The FIC regulation aims to extend the scope of origin labelling to products such as dairy, meat as an ingredient, rice, and tomatoes in processed products. Presentation of the proposal is expected soon, and it will apply to all EU countries.

The public is becoming more aware of the issue of transparency and access to information. In the Netherlands, this is reflected in projects such as the 'Dashboard Duurzaamheid Supermarkten' (Dashboard Sustainability Retailers) and NGO rankings like 'Superlist from Questionmark' on the transparency of products in stores. The latter applies to ALDI Netherlands and to other countries.

PROGRESS & MEASURES 2023

GRI 417/3-3

Consumer information: national campaigns for informed and responsible purchasing

We use various channels to inform our customers about the nutrition, health, and sustainability aspects of products. In addition to the communication channels already mentioned, there are also national projects to provide information to customers.

As part of our ongoing collaboration with the Spanish Academy of Nutrition and Dietetics (AEND), we keep providing consumers at ALDI Spain with verified information, tips, and advice from experts on dietetics and nutrition.

Since consumers in the Netherlands are increasingly opting to follow a vegetarian or plant-based diet due to concerns about the climate and human and animal welfare, the Dutch government has set a distribution target of 50 per cent plant-based proteins to 50 per cent animal-based proteins by 2030. ALDI Netherlands aims to align with an identical sales volume target, and now monitors the ratio of protein sold each year. This is calculated using the Eiweet method (protein method) and was announced on the ALDI Netherlands website in 2023. The methodology was developed in collaboration with NGOs and other retailers. The result in 2023 was 37 per cent plant-based protein compared to 63 per cent animal-based protein.

Labelling of products: introduction of the Nutri-Score label to aid customer decisions

We place the Nutri-Score label on the packaging of most private label food products, while always reflecting legal requirements. In a 2023 pilot programme, ALDI Netherlands introduced the Nutri-Score logo on more than 400 products in advance of Dutch regulations. The use of the Nutri-score label on the pack was legally permitted from 1 January 2024. ALDI France achieved the goal of 100 per cent of private label food products provided with the Nutri-Score in 2023. ALDI Nord Germany has already registered all private label food products and is now working on the implementation process. ALDI Spain and ALDI Portugal have achieved around 40 per cent of the goal, and ALDI Poland has already registered all brands from the permanent assortment.
On 31 December 2023, Santé publique France introduced a new algorithm for calculating the Nutri-Score. The update of the Nutri-Score was made to incorporate the latest scientific evidence, and to be more in line with the main food-based dietary guidelines of countries across Europe. Some of the changes relate to salt, sugar, protein, and fibre content so as to distinguish more clearly between healthier and unhealthier foods. Further information, tools, and updates can be found on the official page of the Santé publique France.

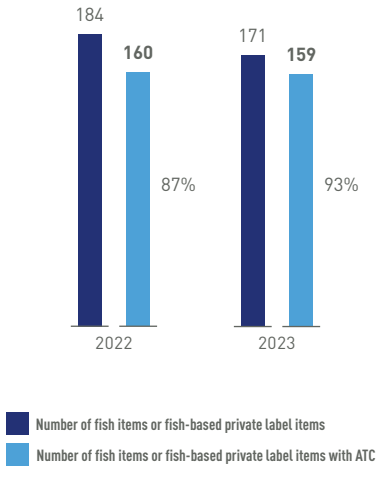
Enhancing transparency: giving customers the ability to trace products with ATC and labels

Thanks to the ALDI Transparency Code (ATC) our customers can trace the origin of numerous products online at any time. The ATC is in place for more than 90 per cent of fresh meat at ALDI Belgium, ALDI France, ALDI Luxembourg, and ALDI Nord Germany within the standard product ranges. ALDI France achieved the goal of labelling 96 per cent of meat products with the ATC by the end of 2023. At ALDI Nord Germany, fish products, fresh eggs, and textiles made from sustainable cotton can also be traced to their origin using the ATC. Further information on tracking textiles with the help of the ATC can be found in the section 'Social responsibility in the supply chain'.

GRI 417-1

PRODUCTS WITH ALDI TRANSPARENCY CODE (FISH AND SEAFOOD IN GERMANY)

Number and proportion of private label fish and seafood products and private label products containing fish and seafood in Germany that are labelled with the ALDI Transparency Code (ATC)



GRI 417-1

PRODUCTS WITH ALDI TRANSPARENCY CODE (MEAT)

Number and share of private label meat products and private label products containing meat that are labelled with the ALDI Transparency Code (ATC)

	2021			2022			2023[1]		
	Total	ATC products	ATC proportion (in %)	Total	ATC products	ATC proportion (in %)	Total	ATC products	ATC proportion (in %)
Belgium/Luxembourg[2]	415	371	89.4	411	388	94.4	522	478	91.6
Denmark	n/a	n/a	n/a	n/a	n/a	n/a	–	–	–
France	645	490	76.0	735	685	93.2	738	709	96.1
Germany	918	863	94.0	811	752	92.7	716	663	92.6
Netherlands	541	121	22.4	411	145	35.3	529	171	32.3
Poland	110	20	18.2	99	–	–	104	–	–
Portugal	261	92	35.2	224	92	41.1	206	96	46.6
Spain	399	7	1.8	348	4[3]	1.1[3]	434	11	2.5
ALDI Nord	**3,289**	**1,964**	**59.7**	**3,039**	**2,066**	**69**	**3,249**	**2,128**	**65.5**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 The value for 2022 was corrected in comparison to the information published in the previous year's report.

National labels for responsible and sustainable products

On a national level, we also use various labels to raise our consumers' awareness. One of these is used in the Netherlands, the 'On The Way To PlanetProof' label for arable crops, fruit and vegetables, milk, eggs, plant products (flowers, plants, trees, flower bulbs, etc.), and prepared and processed food products. ALDI Netherlands also uses the national animal welfare label 'Beter Leven' (Better Life), the Netherlands label (for national products), and the 'Weidemelk' (pasture milk) label. ALDI Belgium labels their locally-grown fruit and vegetables, fresh meat, eggs, and dairy products with the 'Belgische oorsprong' (Belgian origin) label, and uses the 'Vandaag voor morgen' (Today for Tomorrow) logo for sustainable products or initiatives.

At ALDI Portugal, the ALDI Commitment logo 'Compromisso ALDI' (ALDI Compromise) is used to help customers identify improved packaging such as reduced or recycled plastic. We also use the logo 'Sou Português' (I am Portuguese) to show customers products from Portugal.

In Germany, the 'Naturland' (Natural Country) label for organic products was introduced in 2023. So far, 19 products carry the label, mainly fruit and vegetables and dairy products. In addition, we mark our private label pork, beef, turkey, and fresh chicken products with the 'Haltungsform' (husbandry level). This classifies existing animal welfare labels into levels 1 to 4 and provides information on the relevant husbandry conditions of the animals. Since the beginning of 2022, we have extended husbandry-level labelling to milk and dairy products and processed meat products.

ALDI Spain works with the Sustainable Wineries for Climate Protection (SWfCP) and aims to label all Spanish private label wines with IGP/DOP denomination using this certification (or other accepted label). This certification is promoted by the Federación Española del Vino – FEV (Spanish Wine Federation) and certified by a third party.

Due to the impact of microplastics on our environment, we aim to avoid using them in our products as far as possible and prevent water pollution. Products with microplastic-free formulations and which do not contain polymers in cosmetics, personal care, detergents, and cleaners are labelled 'formulation without microplastics' in Spain, the Netherlands, Poland, Portugal, and Germany. Since January 2023, legislation in France also requires us to inform our customers about products that release microplastics during washing if the proportion of synthetic fibres exceeds 50 per cent.

Raising consumer awareness: communication about sustainable consumption

GRI 204/3-3 Across the ALDI countries, we use various additional communication tools to inform our customers about certified sustainable products, the social and environmental aspects of our products, and special offers in our customer magazines, weekly leaflets, apps, on our websites, and through social media.

ALDI France, ALDI Spain, ALDI Poland, ALDI Belgium, and ALDI Netherlands communicate in customer magazines about various topics including food waste, environmental protection, and product origin. ALDI Spain and ALDI France use TV and radio campaigns to provide information about Fairtrade-certified products. ALDI Nord Germany also uses these channels to inform customers about their animal husbandry campaign 'Haltungswechsel'.

Initiatives such as 'Fecha de Extinción' (Extinction Date) by ALDI Spain also helped to raise public awareness for the importance of responsible consumption, and promote conscious purchasing decisions in 2023. This campaign highlights the impact of climate change on crops – which could lead to the disappearance of foods such as coffee, honey, or wine – and what ALDI Spain is doing to help prevent this happening.

Several ALDI countries, including ALDI Netherlands, ALDI Poland, and ALDI Portugal support national campaigns highlighting healthy nutrition and promoting a vegan or vegetarian diet. In Germany, we endorsed the Veganuary campaign in January for the fourth year running. The campaign consisted of internal and external communication such as information and recipes on social media, in magazines, and in the internal employee app. ALDI Belgium encouraged its customers to participate in the VeggieChallenge in March 2023, a campaign by ProVeg International with EVA (an advocacy group for vegans and vegetarians in Belgium). During this month, we highlighted vegetarian and vegan products and inspired customers with vegetarian recipes costing less than three euros per person.

ALDI Netherlands participated in several national campaigns in 2023, including the 'Nationale Week Zonder Vlees & Zuivel' (National Meat and Dairy Free Week), the 'Week van de Gezonde Jeugd' (Healthy Youth Week), the twice-yearly fairtrade week, the 'Beter Leven' week (promoting our products from farms with high animal welfare conditions), the 'Verspillingsvrije Week' (national week against food waste), and the On the way to PlanetProof week.

ALDI Portugal took part in World Ocean Day in June 2023 and the Follow the Frog campaign in September 2023. The Follow the Frog campaign aims to support consumers in making better choices, from changing small everyday habits to making more conscious purchases such as choosing products with the Rainforest Alliance label. On 1 November 2023, ALDI Portugal also marked World Vegan Day on its social media.

In 2023, several ALDI countries joined various campaigns to raise awareness of sustainable fishing and fish consumption. ALDI Spain joined 'MSC Mares Para Siempre' (Seas Forever Week), ALDI Belgium joined the yearly 'MSC Bewuste visweek' (Sustainable Sea Food Week), ALDI Portugal participated in the 'MSC Mares Para Sempre' (Seas Forever Week), and ALDI Nord Germany supported the initiative from ASC and MSC called 'Check deinen Fisch' (Check your fish). Furthermore, ALDI France participates every year in the 'Semaine de la Pêche et de l'Aquaculture Responsables' (Responsible Fishing and Aquaculture Week), organised by MSC and ASC in February.

Advertising: responsible and transparent

We are aware that our assortment choice influences customer and purchasing behaviour. This is particularly the case through our promotions and the selection of products in our leaflets. As stated in our international goals, we aim to avoid marketing unhealthy products to children and to promote healthy products (excluding seasonal offers). We have agreed on a precise definition of what is considered a 'children's product'. A further objective is optimisation of products targeted at children, and we have based our recipe adaptations on the WHO nutrient profile model (second edition). ALDI Netherlands has already achieved this goal.

Awards and international recognition

In the reporting year, we have been honoured with several prizes. In June 2023, ALDI Netherlands won the jury award for the best online magazine 2023, and the SAN Accent for the marketing campaign, 'Net zo... Maar dan goedkoper' (Just the same...But cheaper). The campaign focuses on breaking down prejudices and shows people in everyday situations that everyone can relate to. The TV commercials demonstrate that ALDI Netherlands offers the same quality of life with cheaper products. ALDI Belgium even won two awards: 'Folder van het jaar' (Leaflet of the Year), and the Fairtrade Best Communication Award 2023.

The promotion of sustainable consumption has always been anchored in our CR Agenda. You can learn more about our targets there.



SUPPLY CHAIN & RESOURCES

OUR APPROACH TO PRODUCT SOURCING

Our responsibility neither begins nor ends in our stores. We strive to provide our customers with transparent evidence of sustainable product sourcing so that they can shop with a good conscience.

International

In order to better understand the living and working conditions in our supply chains, colleagues from our headquarters in Essen occasionally travel to production countries to visit factories and farms. One example from 2023 is our trip to India where we followed ALDI Sustainability Assessments (ASAs) in factories for household textiles. We use the exchange with local stakeholders and in-depth knowledge of the situation on the ground to improve our requirements and measures as part of our human and environmental due diligence obligations.





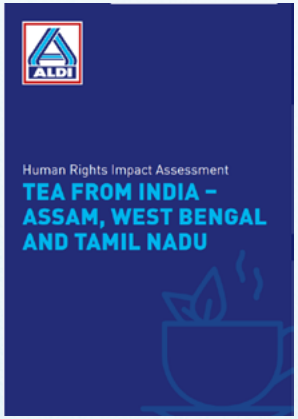
"It is a great opportunity to work with the ALDI Industry Sustainability Project (AISP). The severe risk issues impacting ALDI can be understood properly by the factory personnel leading to efficient and sustainable management of the issues. Moreover, developing factory-based childcare centres can safeguard early childhood development, allowing working parents to concentrate more on production."

MD. OMAR FARUQ
Senior Advisor, Capacity Building, ALDI CR department Bangladesh



ALDI colleagues from Dhaka and Essen working together on the AISP

International



RESPECT FOR HUMAN RIGHTS IN THE TEA SECTOR

In 2023, we published a Human Rights Impact Assessment on tea from India, which identified the impacts along our supply chain. It formed the basis for developing a Human Rights Action Plan to address the identified risks. In addition, we supported a study by THIRST (The International Roundtable on Sustainable Tea), which examined risk factors for gender-based violence in the tea sector. This helps us to better understand risks and take appropriate action.

ALDI Spain

ACHIEVEMENT OF MORE THAN 83% OF SPANISH WINE WITH IGP/DOP LABELS IN COMPLIANCE WITH THE ALDI SPAIN SUSTAINABILITY WINE PROJECT

The wine business is an important economic and agricultural sector in Spain. ALDI Spain therefore engaged with our suppliers to achieve more than 75% of Spanish wine with IGP/DOP labels for ALDI brands or exclusive brands. This involves compliance with or a commitment to compliance with one of the recognised climate-change initiatives before the end of 2024. We are proud to announce that by the end of 2023, ALDI Spain had already achieved the initial goal with more than 83% of the labels coming from wineries already complying with (or committed to complying before the end of 2024) one of the recognised climate-change initiatives.

ENVIRONMENTAL RESPONSIBILITY IN THE SUPPLY CHAIN

GRI 2-6, 204/3-3, 303/3-3, 304/3-3, 308/3-3, 411/3-3, 413/3-3

As an international retailer, we are responsible for our products along the entire value chain from cultivation of the raw materials to final recycling and/or disposal of the product. More than 1,800 products in each country come from agriculture and we are therefore well aware that increasing pressure on ecosystems impacts the availability of the raw materials needed for our products.

Our objective is to continue offering our customers high-quality products at the lowest possible price. Consequently, we have to work with our suppliers and partners along the entire value chain to compel production facilities and farmers to be more sustainable in procurement and production, and conserve valuable resources at the same time. As part of this approach, we contribute to the Sustainable Development Goals (SDGs) with particular emphasis on improvement of life on land (SDG 15), access to clean water (SDG 6), protection of climate (SDG 13), sustainable use of oceans, seas and marine resources, life under water (SDG 14), sustainable production and consumption (SDG 12), and clean energy (SDG 7). Our materiality analysis for the reporting year highlights the many environmental issues we need to address along our supply chains.

Our environmental impact is broad due to the nature of our business model and various resource inflows such as agricultural and textile products. The consequences of our operations include pollution, biodiversity loss, and water use, alongside climate change, caused, for example, by greenhouse gas emissions from our supply chain.

The availability of water is a critical issue, particularly in the agricultural and cotton supply chains. In the agricultural sector, this relates to nuts, palm oil and fresh produce including a variety of fruit and vegetables such as bananas. There is a risk that producers might use illegal water sources in order to grow crops and hence deplete groundwater resources. Additionally, agriculture is not the only sector that uses harmful substances such as fertilisers and pesticides. Many supply chains such as the textile supply chain also use chemicals in production. These may contaminate the soil and groundwater if they are not properly treated or disposed of (faulty effluent treatment plants).

Livestock production often drives deforestation and habitat loss when forests are cleared to create grazing lands or to cultivate feed crops like soybeans, coffee, palm oil, and cocoa. This leads to loss of biodiversity, disruption of habitats, and increased GHG emissions, contributing to climate change.

Alongside environmental damage caused by business activities, communities are also impacted by water and sanitation issues, inadequate food supplies, and land-related issues. The loss of biodiversity due to factors such as water scarcity caused by water-intensive farming or production negatively affects ecosystems, lowers agricultural yields, and increases poverty. Harmful chemicals used at production sites during the manufacture of textiles also exert a negative impact on the environment if not handled correctly.

In addition to the damage caused locally in the product-sourcing countries, environmental destruction also poses a risk to the resilience of our supply chains. ALDI Nord has a large number of international supply chains and sources goods from regions already severely affected by climate change and environmental damage. Extreme weather events, rising sea levels, reduced agricultural yields, and more intense droughts can severely impact supply chains. Our supply chain due diligence aims to promote the protection of the environment, create more reliable and sustainable supply chains, and meet the demands of eco-conscious customers.

OUR APPROACH

GRI 2-6, 2-23, 2-24, 204/3-3, 303/3-3, 304/3-3, 308/3-3, 411/3-3, 413/3-3

One priority is responsible procurement of raw materials and sustainable production along the supply chains. Our guiding principles are set out in our national and international purchasing policies (see 'Purchasing policies'), which are continuously refined and improved.

Our Sustainability Risk Analysis (SRA) enables us to identify human rights and environmental risks. In our recent SRA, we identified topics like deforestation, water availability and pollution, climate emissions, biodiversity loss, and soil degradation as environmental risks in several ALDI Nord sourcing countries.

GRI 308-2

Compliance with environmental standards is a prerequisite for our products to obtain one of the many sustainability labels, seals, or certificates such as the EU organic logo or Forest Stewardship Council® (FSC®). Many standards cover topics like deforestation and conversion, soil degradation, biodiversity loss, water pollution, water scarcity/water use, and the use of certain hazardous substances. Current audits by ALDI Nord or third parties are looking at environmental issues such as correct handling of wastewater and sludge in non-food production facilities. The fruit and vegetable-specific module of our ALDI Sustainability Assessments (ASA) analyses environmental aspects such as water resources, water efficiency, biodiversity, and the management of pesticides and fertilisers. Other standards such as the Roundtable on Sustainable Palm Oil (RSPO) address topics at the intersection of environmental and social responsibility by halting deforestation and the consequent displacement of wildlife and local communities that depend on natural resources for their livelihoods and traditions. Additionally, land rights, land disputes, and the rights of indigenous people also play a role.

However, we are aware that some sustainability standards place a financial and administrative burden on suppliers and producers. Our aim is therefore long-term cooperation with suppliers and producers, sharing knowledge and supporting them with individual projects on site. We also participate in cross-sector and multi-stakeholder initiatives on various topics, such as cotton production, tropical and subtropical fruit farming, flowers and plants, and fish and seafood.

For example, ALDI Netherlands is a member of the Floriculture Sustainability Initiative. This multi-stakeholder initiative focuses on continuous improvement of flower and plant production and trade. A new element is registration for the use of pesticides, fertilisers, water, energy, and Integrated Pest Management. For further information on our efforts to combat climate change in the supply chain, see Climate & Environmental Protection.

ORGANISATION & GUIDELINES

GRI 2-6, 204/3-3, 304/3-3, 308/3-3, 407/1, 411/3-3

The Corporate Responsibility Quality Assurance International (CRQAi) department establishes standardised raw-materials purchasing policies and requirements for production in consultation with the International Procurement department, the National Procurement and CRQA departments, and the CR departments in Dhaka and Hong Kong.

In the CRQAi department, we also coordinate implementation of the provisions defined in these policies and monitor compliance. Each ALDI country may develop national purchasing policies to meet country-specific requirements. Before adopting new sustainability requirements, we check feasibility with the International Procurement department, industry experts, and selected business partners. After this check has been completed, the requirements become an integral part of our purchasing processes and contracts.

Regulations

The new EU Deforestation Regulation (EUDR) aims for deforestation-free manufactured products based on the approach of binding corporate due diligence obligations. Various ALDI Nord products are positioned within the scope of the EUDR, which regulates the raw materials wood, cocoa, coffee, rubber, palm oil, soy, and cattle, and products made from them such as chocolate and fresh meat products. This regulation was adopted by the European Parliament and the Council of the European Union in 2023 and will apply from the end of December 2024. According to the EUDR, relevant raw materials and products may in future only be marketed in the EU, made available or exported from the EU if they:

- are free of deforestation,
- have been produced in accordance with the relevant legislation in the country of production,
- are covered by a due diligence statement.

In addition, the Extended Producer Responsibility regulation in the Netherlands has been expanded to textiles. This means that ALDI Netherlands as a producer has become responsible for recycling and reusing sold textiles since 1 January 2023. ALDI Netherlands has joined a producer organisation (UPV Textiel), which will coordinate the collection, recycling, and reuse of used textile goods on our behalf.

Purchasing policies

GRI 2-23, 2-24, 204/3-3, 304/3-3, 308/3-3 ALDI Nord has established purchasing policies for specific raw materials as a binding framework for action both internally and for our business partners. The international purchasing policies are integral to our due diligence-based framework approach and guide our partners. International purchasing policies are sometimes supplemented by national purchasing guidelines, for instance, in circumstances where the topic is important in that country, and there are no applicable international policies.

We continuously refine and improve the guiding principles stated in our national and international purchasing policies. The international resource-specific purchasing policies cover palm oil, timber, and cotton. An International Purchasing Policy for fish and seafood is currently under development.

ALDI Nord set binding CR requirements for various products, including fruit and vegetables, coffee, tea, and cocoa, covering suppliers and ensuring compliance with national regulations. The requirements are part of our purchase contracts with suppliers and are not disclosed publicly. ALDI Netherlands demand the On the Way to PlanetProof certification for all fruit and vegetables produced in the Netherlands. This standard focuses on energy and climate protection, crop protection, water preservation, and biodiversity.

PROGRESS & MEASURES 2023

GRI 2-6, 204/3-3, 308/3-3

Improvement of agricultural practices and fisheries

GRI 303/3-3, 304/3-3. 304-2, 308-2

More sustainable products throughout our stores

Fruit and vegetables are a particularly relevant product category for ALDI Nord. Depending on the country and season, we offer our customers, on average, more than 100 different types of fruit and vegetables. There are multiple challenges confronting us in this product group. Each crop has individual needs and impacts, ranging from extensive water requirements during cultivation to specific pest protection. The availability of the products depends on the local weather conditions and the resulting harvest. Sustainable cultivation is crucial to ensuring the long-term availability of our diverse assortments of fruit and vegetables.

In water-scarce regions, we have defined more stringent requirements for the supply chain and require producers to comply with GLOBALG.A.P. SPRING or an equivalent water management standard, which aims to ensure the legality of the water source and promotes the efficient and optimised use of water.

In order to further support the networking of market players in an affected region and hence enable collective action, ALDI is participating in a project in Southern Spain, facilitated by WRAP. The project supports Collective Water Stewardship Activities in the region. You can find a more detailed explanation in the section 'How we promote the responsible use of water along our supply chains'.

ALDI Netherlands is part of the five-year project Kruidenrijk Grasland (Herb-rich grassland), with the dairy cooperative FrieslandCampina and 43 dairy farmers with the aim of stimulating and improving the biodiversity of 80 hectares of farmland. ALDI Nord supports the farmers in buying seeds for a range of herbs and grasses that attract and feed insects while improving the soil with their root systems, and also compensate the farmers' additional work and any decreased yields. Further information and interviews with participating farmers can be found here.

In 2023, ALDI Portugal joined Act4Nature Portugal, an initiative promoted by the Business Council for Sustainable Development (BCSD) Portugal. It is part of Act4Nature International launched in France in 2018 to mobilise companies to protect, promote and restore biodiversity. By joining Act4Nature Portugal, we aim to strengthen our commitment to tackling global challenges such as climate change and biodiversity loss.

Protecting fish and seafood stocks

Overfishing, illegal fishing methods, and poor environmental conditions threaten many natural fish stocks. Wild fishing and fish farming need to change in order to protect stocks and meet the demand for fish as a long-term food source. Our internal guidelines prohibit the sale of fish and seafood from the IUCN Red List, which are classified as endangered, based on data as above or from the CITES appendices I and II. In addition, the sale of shark and ray, bluefin tuna, and bigeye tuna is prohibited.

As a member of the North Atlantic Pelagic Advocacy Group (NAPA) and the Global Tuna Alliance (GTA), we advocate for the protection of mackerel, herring and tuna stocks.

Since mid-2022, we have been working with the 'Metrics 2.0 IT' tool from the Sustainable Fisheries Partnership (SFP). The tool helps us collect data from our suppliers and assess the sustainability of the sourced fish and seafood. This has increased transparency in the supply chain and helped us to provide information to internal and external stakeholders about the risks associated with each fishery and aquaculture. 225 suppliers reported data for 2023 in relation to 892 private label articles in the tool. This enables us to replace high-risk fisheries in our supply chain according to our requirements.

GRI FP2

RESPONSIBLY SOURCED FISH AND SEAFOOD PRODUCTS

Proportion of private label fish and seafood weight that is certified (MSC, ASC, GLOBALG.A.P., EU organic, BAP) or sourced from a Fishery Improvement Project out of the total weight of private label fish and seafood.

	2021	2022	2023[1,2]
Belgium/Luxembourg[3]	76.8	81.4	95.6
Denmark	71.6	71.6[4]	–
France	57.2	57.5	76.7
Germany	83.9	78.4	89.3
Netherlands	75.8	74.4	97.5
Poland	73.5	54.0	20.4[5]
Portugal	49.5	43.6	63.4
Spain	29.9	24.9	39.3
ALDI Nord	**59.8**	**60.3**	**75.2**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 Data differs due to changes in the calculation methodology from article-based to volume-based from 2023 onwards. Fishery Improvement Projects are newly included as 'responsibly sourced' in 2023.
3 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
4 ALDI Denmark reports the same data for 2022 as for 2021, as a decision was taken to withdraw from the Danish market at the end of 2022.
5 For ALDI Poland's main fish and seafood species herring and mackerel, the most important origin, North Atlantic fisheries, have lost their MSC status in recent years. Certification quotas are therefore currently at a lower level.

Fish and seafood certification mainly involves use of the Aquaculture Stewardship Council (ASC), GLOBALG.A.P., Best Aquaculture Practice (BAP) 4 stars, and the EU organic logo for aquaculture fish, and the Marine Stewardship Council (MSC) for wild fish. Where certification is not available, we accept Fishery Improvement Projects (FIP) and Aquaculture Improvement Projects (AIP) with proven progress. In 2023, the proportion of fish and seafood certified or sourced from FIP resources according to these organisations was 75 per cent throughout the ALDI companies (2022: 60 per cent).

Portugal is one of the largest consumers of fish and seafood per capita worldwide, and as ALDI Nord offers an extensive range of fish and seafood products, sustainable fish supply chains are particularly relevant in Portugal. Our National Fish Purchasing Policy published in 2021 commits us to further increasing the number of certified species and providing more transparency in our supply chains.

All cod and hake articles of the main fish and seafood commodity groups are currently 100 per cent MSC-certified. We continue to work with fish and seafood suppliers to increase awareness, engagement, and transparency.

Working towards sustainable cotton

GRI 204/3-3 Across the entire ALDI Nord Group, we aim to switch to 100 per cent sustainable cotton for private label fashion and household textile products made of or containing cotton by 2030. The proportion of sustainable cotton in our stores has increased considerably. In 2023, about 96 per cent of the cotton used in our private label garments and home textile articles was already recycled or sustainably certified. We constantly monitor the current status, and the International Procurement department continuously increases the proportion of sustainable cotton.

In addition to recycled cotton, we use the following cotton standards:

- Global Organic Textile Standard (GOTS)
- GOTS in conversion
- Organic Content Standard (OCS) 100 / blended
- Fairtrade
- Cotton made in Africa (CmiA)
- Better Cotton Initiative (BCI)

Protection of forests and soils through sustainable procurement

GRI 204/3-3, 304/3-3, 304-2, 308-2, 411/1 Forests are essential ecosystems that provide a habitat for humans, animals, and plants. They also act as a vital reservoir of drinking water and have a moderating effect on the climate. Forest stocks are threatened by the cultivation of soy and palm oil, as well as livestock production, illegal timber production, and the exploitation of protected forests.

GRI FP2

CERTIFIED SUSTAINABLE COTTON

Share of sustainable cotton, as a proportion of the total volume of cotton in the product groups of clothing and home textiles from the standard and special-buy product ranges, broken down by certification standard only online (in per cent)

	2021	2022	2023[1]
Belgium/Luxembourg[2]	88.7	91.2	93.6
Denmark	88.9	88.9[3]	–
France	71.9	74.1	97.3
Germany	85.1	92.4	97.0
Netherlands	69.3	89.2	96.3
Poland	89.3	93.3	90.2
Portugal	89.4	92.3	93.9
Spain	65.0	95.8	97.4
ALDI Nord	**82.1**	**90.6**	**96.4**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 ALDI Denmark reports the same data for 2022 as for 2021, as a decision was taken to withdraw from the Danish market at the end of 2022.

ALDI has committed to eliminating deforestation and the conversion of natural ecosystems from our high-priority supply chains in the long run. As a consequence, we assessed the supply chains at risk of deforestation (palm oil, timber and paper products, wood-based packaging, cocoa, banana, soy, beef, coffee, coconut, and sugar cane) and developed appropriate measures and milestones. Our long-term commitment to procuring these raw materials without deforestation covers even more raw materials or products than set out in the EUDR.

Our Position Statement on deforestation and ecosystem conversion highlights the pathway to developing our approach as part of our international framework for human rights and environmental due diligence. It also emphasises the intention to address deforestation and conversion risks across a wide range of commodities in our supply chains. We plan to revise this document in 2024 to reflect the requirements of the EUDR and the resulting changed conditions.

Currently, we are focusing on the implementation of measures to comply with the EUDR by the end of 2024. These measures include ensuring traceability back to the farm or forest, assessing the risk of deforestation and non-compliance with national legislation (for every batch of every article in the scope of the regulation), and reporting on our due diligence measures.

We will continue to share our progress towards deforestation and conversion-free supply chains on our international websites.

Our goal of achieving 100 per cent deforestation-free soy

The soy demand for feed and food products is high, but soy cultivation often negatively impacts forests. We have been working on developing sustainable soy in human nutrition products and animal feed for some time. As outlined above, we are currently working on adoption of the EUDR, which includes soy as a commodity within its scope. The additional goal for our soy-based vegan and vegetarian products is to use 100 per cent certified soy and/or soy of European origin by the end of 2024. At present, 79 per cent of our soy-based vegan and vegetarian products meet this requirement.

We play an active role in two multi-stakeholder initiatives, the Retail Soy Group (RSG) collaboration, which developed a common strategy to support the transformation to deforestation-free supply chains, and the Danube Soy Association, which promotes sustainable soy cultivation in Europe. Since January 2024, we have included new vegan products in our assortment that are certified by the Danube Soy Association.

Collaborations have also been established at the national level. ALDI Nord Germany participated in the Forum Nachhaltigere Eiweißfuttermittel (FONEI – Forum of Sustainable Protein Feed), and

since early 2021 has been involved in discussions along the supply chain that aim to increase sustainable soy in animal feed. In early 2024, we adopted the additional module 'Sourcing of Deforestation-free Soya in Feed' QS industry guideline for fresh meat and sausage products in Germany. In the additional module, the recognition of sustainability standards such as ProTerra, RTRS, or DonauSoja ensures that the soy comes from deforestation-free cultivation. We also want to establish this requirement in other standards, such as QM Milch (quality management standard).

There is a sector-wide retail commitment in the Netherlands to achieve 100 per cent deforestation-free and conversion-free soy supply chains in 2025. Retailers, including ALDI Netherlands, and the industry organisation are currently working together on possible ways to achieve and monitor this goal. The EUDR requirements must first be clarified before we can determine additional measures that must be taken to achieve conversion-free status.

Certified wood for sustainable furniture and paper products

We often use wood or wood-based resources in the products we sell such as furniture, paper products, or packaging. Sustainable forestry and the sustainable processing and recovery of wood, and wood-based products and packaging are necessary to protect and preserve forests. Our International Timber Purchasing Policy defines precise requirements for products and packaging with constituent elements made of wood, paper and cardboard, bamboo, cellulose-based viscose, and non-woven fabric. We have pledged to replace our wood and wood-based products with certified sustainable materials, and reached around 91 per cent of this goal by the end of 2023. This represents achievement of our goal. While exceptional cases cannot be completely avoided, they are examined, and suppliers are contacted to demand compliance with our defined standards. The standards we accept are FSC®, Blauer Engel, and PEFC™.

GRI FP2

FSC®- OR PEFC™-CERTIFIED PRODUCTS

Share of private label products certified according to FSC® or PEFC™ as a proportion of the total number of private label products from the standard and special-buy product ranges with elements made of wood, board, paper, cellulose-based viscose and non-woven fabric, as well as bamboo, broken down by certification standard only online (in per cent)

FSC® 100, FSC® MIX and PEFC™ are recognised as certification standards. In 2023, the largest portion was attributable to FSC® MIX certification (around 48 per cent), followed by PEFC™ certification (around 39 per cent), and FSC® 100 certification (around 13 per cent).

	2021	2022	2023[1,2]
Belgium/Luxembourg[3]	94.3	97.0	99.0
Denmark	92.5	92.5[4]	–
France	87.9	89.2	92.7
Germany	94.2	94.1	84.2
Netherlands	86.3	87.7	99.8
Poland	94.0	89.9	96.3
Portugal	95.2	93.3	99.9
Spain	97.9	96.0	99.2
ALDI Nord	**92.6**	**92.1**	**91.3**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 Data may differ due to changes in the calculation methodology from 2023 onwards.
3 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
4 ALDI Denmark reports the same data for 2022 as for 2021, as a decision was taken to withdraw from the Danish market at the end of 2022.

Protecting the environment with sustainable cultivation of palm oil

GRI 308-2 Palm oil is a versatile resource used in a wide range of products, from cake icing to detergents. The palm is one of the most productive oil fruits worldwide, making palm oil hard to replace. Since 2022, we have been part of the Palm Oil Transparency Coalition (POTC) to increase transparency in our palm oil supply chain at the trader. This group of 16 companies works to ensure that their palm oil supply is free from deforestation and exploitation, and that importers in the supply chain are addressing these issues across their entire operations and for all volumes

GRI FP2

CERTIFIED PALM OIL

Proportion of the total volume of palm oil used to manufacture our food and non-food products from the standard and special-buy product ranges which was certified in conformity with a physical RSPO supply chain system (in per cent)

	2021	2022	2023[1]		
	Total	Total	Total	Food	Non-Food
Belgium/Luxembourg[2]	98.3	100.0	100.0	100.0	100.0
Denmark	99.9	99.9[3]	–	–	–
France	99.2	95.0	99.9	100.0	99.9
Germany	99.7	98.8	100.0	100.0	100.0
Netherlands	100.0	98.7	99.9	100.0	98.4
Poland[4]	99.5	86.0	99.6	99.6	100.0
Portugal	92.1	93.0	99.6	99.6	97.7
Spain[5]	77.2	73.7	99.8	100.0	90.1
ALDI Nord	**98.1**	**95.9**	**99.9**	**100.0**	**99.7**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined or the purposes of a simplified presentation (see 'Report profile').
3 ALDI Denmark reports the same data for 2022 as for 2021, as a decision was taken to withdraw from the Danish market at the end of 2022.
4 The values differ from the previous year because deliveries of sunflower/canola oil were stopped due to the war in Ukraine and replaced by palm oil. Owing to the shortage of time, suppliers were unable to get certified for palm oil.
5 Deviations from the previous year are also due to different databases.

regardless of certification status. In 2023, twenty globally significant importers of palm oil within member supply chains were surveyed on their company's ambition, targets, progress, and verification. Each importer received a score based on the collected survey data, with an assessment of trader performance. This has enabled us to work with our suppliers towards our goal of zero deforestation at trader level.

As a member of the RSPO, we took part in the RSPO Sustainable Palm Oil Dialogue in Frankfurt in May 2023 where a joint approach to addressing the EUDR was under consideration.

The 2024 Palm Oil Buyers Scorecard reached out to 285 prominent retailers, manufacturers, food service, feed, and hospitality companies. It evaluates their progress and practices, specifically focusing on their efforts and actions in sourcing and promoting sustainable palm oil. ALDI, for instance, received a score of 19.86 out of 24 points.

How we promote the responsible use of water along our supply chains

GRI 308-2 As an international retailer, we acknowledge that many products sold in our stores may cause water-related risks in production countries. This applies to agricultural products in particular, and we know the refining process for textiles and shoes is also a risk area.

In July 2022, we began implementing GLOBALG.A.P SPRING (Sustainable Program for Irrigation and Groundwater use), an add-on to the overarching GLOBALG.A.P IFA (Integrated Farm Assurance). This programme aims to improve water efficiency and quality along our supply chains and targets our 15 best-selling fruit and vegetables sourced from critical water regions, as identified using the WWF water risk filter. The audits check compliance with defined standards for water efficiency, such as whether the irrigation systems have been designed to optimise water usage, and water quality, such as identifying and listing wastewater sources in a management plan. An assessment of legal compliance, for example, the identification of water sources such as wells, is also carried out. Producers following one of the alternative water standards, including the EU organic label, Fairtrade, or Rainforest Alliance, are exempt from the SPRING compliance requirement in order to minimise the audit burden.

Since 2022, we have been a member of the Collective Water Stewardship Activity in Southern Spain project under the Waste and Resources Action Programme (WRAP), a climate action NGO. The project aims to reduce water stress in this region by 2030, which is critical for the fruit and vegetable sector. This membership complements our existing measures for sustainable freshwater use by our supply chains in southern Spain. The project includes four workstreams: understanding water risks, strengthening certification standards, encouraging and supporting local collective water stewardship, and advocating for sustainable water management.

In early 2024, we visited the project on the ground and participated in a stakeholder workshop. The project is ongoing, and the newly published 'Donana Information Repository' shows the initial project results.

Prevention of chemical pollution in production

GRI 308-2 Wastewater testing and verification of compliance with guideline values are crucial to reducing chemical pollution in supply chains. During the production of our textiles and shoes, we monitor compliance with the limit values in wastewater and sludge analyses. Samples are taken from the effluent and sludge at the level of production facility in line with the Zero Discharge of Hazardous Chemicals (ZDHC) wastewater guidelines. They are also taken from the final product.

Our pilot phase of auditing Effluent Treatment Plants (ETP) and assessing information on the performance and continuous use of ETPs along our supply chain in Bangladesh, China, India, and Pakistan was completed in 2023. We are using the results and findings to further develop targeted measures for wet production facilities. The possibility and added value of systematically introducing ETP audits in the upstream supply chain is also being reviewed.

Production sites with missing valid wastewater and sludge analyses or non-compliant wastewater and sludge analyses are no longer allowed to work for the ALDI Nord Group. In addition, ASAs are used to check compliant disposal of wastewater. A finding of non-compliance, such as unauthorised disposal and illegal dumping of chemicals, wastewater, or sludge, results in the factory being blocked.

From 2024, all wet production facilities in high-risk countries producing core product components of ALDI goods must submit chemical inventories to demonstrate compliance with the ZDHC MRSL for the chemical products used. The production facilities use digital tools to create these chemical inventories and the tools verify the results directly. Further information on the measures taken to prevent chemical pollution in production can be found in our Sustainability Report 2021 and targets for environmental responsibility are provided in our CR Agenda.

SOCIAL RESPONSIBILITY IN THE SUPPLY CHAIN

GRI 204/3-3, 407/3-3, 408/3-3, 409/3-3, 414/3-3

Social responsibility in the supply chain relates to the production and procurement of products and raw materials in a manner that respects human rights and protects the environment as the foundation of life for future generations. Since our materiality analysis has shown that many crucial issues arise in our upstream value chain, we prioritise issues around working conditions, labour rights, and human rights in our reporting.

Workers in the supply chain often face poor working conditions and limited labour rights, particularly in relation to working hours, subcontracting, wages, and health and safety. Those individuals most affected tend to be vulnerable groups or minorities such as women, children, or migrants because they may have little legal protection and are dependent on work to survive. Many products or raw materials are extracted or produced in countries with a high risk of human rights violations.

Our suppliers are key to our business conduct and success, and maintaining a good relationship with them is critical for our long-term business outlook. Furthermore, we are aware that the business relationship we have with our suppliers in turn influences their way of doing business with their suppliers. By building fair relationships with our suppliers, we set standards and work with them to tackle sustainability challenges in our supply chain. This approach enables us to offer products in compliance with our social and environmental requirements and responsibilities.

OUR APPROACH

GRI 2-6, 2-23, 204/3-3, 308/3-3, 407/3-3, 408/3-3, 409/3-3, 413/3-3, 414/3-3

In order to comply with our social responsibility, we follow the Human Rights Due Diligence Process, in alignment with the 'United Nations Guiding Principles on Business and Human Rights' (UNGP). Our goal is to provide decent working conditions and facilitate fair business relations between suppliers and further upstream tiers. Additionally, we aim to future-proof our business with a resilient supply chain and do our part towards reaching the Sustainable Development Goals (SDGs).

Our Social Compliance Programme is embedded in this process and forms the foundation of our work on social sustainability for production facilities. This programme defines fixed requirements, for example, relating to Third-Party Audits for our suppliers and their facilities producing goods for ALDI Nord. Our Social Compliance Programme was launched in 2013, and is broadened and deepened on an annual basis in accordance with our risk analyses. It now covers high-risk non-food product groups and industrially produced foods such as canned and frozen goods. It will continue to be extended gradually so as to also cover goods produced for internal usage in stores or company headquarters such as employee uniforms.

In our other food supply chains, we have also made progress in implementing various programmes with a strong focus on sustainability, as well as human rights programmes. These are described in more detail in the following sub-sections.

ORGANISATION & GUIDELINES

GRI 2-6, 2-24, 204/3-3, 308/3-3, 414/3-3 Our CRQA International department coordinates the overarching efforts of the ALDI Nord Group relating to all topics of social responsibility. We work in two teams – the Human Rights Team is responsible for strategy and policy, while the Supply Chain Evaluation & Development Team works on the identified high-priority supply chains. This team is in close contact with suppliers, buyers, and the national CRQA departments. The local CR departments in the countries are involved as necessary. The CR departments in Hong Kong and Dhaka support implementation and development of our programmes and projects. They are responsible for monitoring suppliers, production facilities, and farms in Asia and Latin America, along with additional risk countries such as Turkey, Egypt, and Ethiopia, as well as implementing targeted capacity-building measures.

Regulations

Measures have now been in place for some years to ensure our corporate responsibility along international supply chains. On this basis, we have established and enhanced a wide range of processes to meet the requirements of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG). A working group of experts from the international departments Risk & Compliance, CRQA and Procurement is responsible for monitoring risk management. The measures have included introduction of a business-partner screening tool to monitor our direct partners continuously. We will report our endeavours and the measures implemented in accordance with LkSG to the Federal Office for Economic Affairs and Export Control (Bundesamt für Wirtschaft und Ausfuhrkontrolle – BAFA) under our reporting obligations. As part of a multi-stakeholder initiative and member of working groups, we have engaged with other impacted parties to discuss BAFA expectations and monitor current developments such as BAFA publications. We worked together with the German Retail Association (Handelsverband Deutschland – HDE) to develop supply-chain training for suppliers to German companies, and made the training available to our suppliers. We plan to provide access to internal and external training for our suppliers and their production facilities on human-rights topics.

Our International Public Affairs department is constantly monitoring due diligence developments in Germany and at the EU level.

Policy statements, position papers, and international frameworks

GRI 2-23, 204/3-3, 407/3-3, 408/3-3, 409/3-3, 413/3-3, 414/3-3

As an internationally active retailer with complex global supply chains, our responsibility is to respect human rights. We therefore begin where our impact and leverage are greatest – the suppliers and supply chains of our private label food and non-food product ranges, where we have comparable higher leverage to drive change. The foundation of human rights due diligence requires a written statement on human rights and clear requirements for suppliers and production facilities in individual policies, commitments, and Codes of Conduct.

We have published an International Child Labour Policy, an International Policy on Forced Labour, our International Statement on Living Wages and Living Incomes, as well as the International Policy on Gender Equality and the corresponding Gender Equality Action Plan. These policies apply to all ALDI companies and will be regularly updated.

In our latest version of the Human Rights Policy Statement, ALDI Nord committed to complying with the United Nations Guiding Principles on Business and Human Rights. The policy defines our approach to respecting human rights in our supply chains and provides an overview of the major risks we face and our focuses.

Assessments on human rights and social compliance

GRI 2-6, 308-2, 407-1, 413/3-3, 414/3-3 As we cannot tackle all issues simultaneously, we conduct regular assessments to identify and prioritise potential risks in our supply chains. We subsequently focus on the identified high-priority supply chains, resources, and issues to implement targeted measures.

The high-priority supply chains were identified by a Sustainability Risk Analysis (SRA) that was compiled with the assistance of an independent consultancy. In our recent risk analysis, the topics of working conditions, gender equality, child labour and forced labour, land rights, and occupational health and safety were identified as human rights risks in several sourcing countries of ALDI Nord. Human Rights Impact Assessments (HRIAs) are another instrument in our analytical toolbox to better understand human rights and environmental risks. Both assessment methods (SRA and HRIA) and their results provide the foundation for further strategic steps and show us where and how to concentrate our efforts. Other activities, such as additional audits and assessments, are described below.

Our first three HRIA reports about wild-catch fish and seafood (with a focus on tuna), citrus fruit from Spain (Valencia and Murcia), and tea from India (Assam, West Bengal and Tamil Nadu) can be accessed in our download sub-section. In 2024, we are scheduled to publish two other HRIAs: household textiles from India and coffee from Vietnam.

At the national level, ALDI Netherlands participated in a sector-wide Human Rights Impact Assessment of the Italian canned tomato supply chain on behalf of the Dutch Food Retail Association (Centraal Bureau Levensmiddelenhandel – CBL) and the Dutch trade union confederation (Federatie Nederlandse Vakbeweging – FNV), conducted by Impact Buying. The issue of working conditions in the Italian tomato sector was analysed, and a joint action plan was developed.

Third-party audits

As part of our Social Compliance Programme (see above), we require suppliers for non-food production and selected food commodity groups manufactured in risk countries, as defined by amfori, to become a member of amfori BSCI, or similar initiatives. Suppliers also need to ensure that production facilities based in these countries undergo third-party social compliance audits in line with their chosen initiative. Accepted audits, certifications and standards include amfori BSCI, SA8000 certification, Sedex Members Ethical Trade Audit (SMETA), BAP SA, ICTI, RBA, or the Fair Wear Foundation (FWF).

Every year, the CR department in Hong Kong reviews around 10,000 to 12,000 third-party social compliance audit reports from production facilities as part of our purchasing processes. The result of this review might, for example, be an expired certificate, an unsatisfactory audit result, potential red flags in the audit report, or an incorrect audit scope. In addition, production facilities in Bangladesh and Pakistan may need additional fire protection and building safety inspections in line with the International Accord and the relevant Bangladesh or Pakistan Agreement. However, the outcome in the event of an infringement is always the same: no new orders for production until the necessary improvements have been made.

In addition, we also accept a number of third-party audits in the agricultural sector and at the farm level. For fruit and vegetables and flowers and plants, these are – as with the production facilities – for example, amfori BSCI, SA8000 certification, Sedex Members Ethical Trade Audit (SMETA), along with audits based on SCS Sustainably Grown, GLOBALG.A.P. IFA, or GLOBALG.A.P. GRASP. We also accept certifications such as Fairtrade or Rainforest Alliance, which also apply to other commodity groups such as coffee, tea, and cocoa.

Assessments conducted and monitored by ALDI Nord

Such third-party audits are a useful tool for gathering valuable insights and ensuring that a large number of production facilities are checked and made aware of the issues surrounding sustainability. However, we acknowledge that these certifications are only one part of our human rights and environmental efforts and cannot stand alone because due diligence work is complex and necessitates diverse tools.

We regularly evaluate the working conditions at production facilities in amfori BSCI risk countries through comprehensive sustainability assessments. These are undertaken by the CR

departments in Hong Kong and Dhaka, and they are supported or carried out by external service providers. The ALDI Sustainability Assessments (ASA) approach meets the demands of food and non-food supply chains with a unified assessment system that includes a general human rights module, and a supply-chain specific module for shoes and textiles, fish and seafood, and fresh fruit and vegetables.

On-site, we engage with stakeholders, including workers, to better identify and prevent potential negative impacts on human rights at an early stage. If any non-compliance with our requirements is detected, the production site and the relevant supplier are engaged to remediate these findings. If a severe non-compliance issue – as defined in our standards – is uncovered, a contractually defined process comes into effect. We expect all suppliers to remediate any deficiencies as quickly as possible, in accordance with agreed corrective action plans. Colleagues from the CR departments in Hong Kong and Dhaka support our suppliers in their remediation efforts. Should our requirements and processes not be adhered to, potential consequences can range from written warnings to termination of the business relationship in extreme cases.

Beyond auditing: CR performance and multi-stakeholder initiatives

GRI 414/3-3 Our commitment to human rights is reflected in our purchasing practices and this enables a collaborative approach with our suppliers. We developed our annual Corporate Responsibility Supplier Evaluation (CRSE) for food and non-food suppliers to incorporate suppliers' sustainability performance into our procurement practices beyond certifications and conducting audits.

Suppliers are rated according to key factors such as their CR setup and compliance processes, their support for and relationship with production facilities or growers, and their human rights and environmental due diligence. We work closely with our suppliers during the entire CRSE process – from sending out the Self-Assessment Questionnaire (SAQ) to sharing the final results transparently. The CRSE rating is then used to develop plans and strategies to improve social and environmental performance throughout the year.

The results from the recent SRA formed the basis for a further roll-out to other high-priority food supply chains, such as citrus, frozen fish, and seafood, in order to extend supplier evaluation to all high-priority food supply chains by 2027.

Individual companies or organisations cannot address systemic infringements of internationally accepted social standards. This is why we participate in numerous multi-stakeholder initiatives. We continuously cooperate at the national and international level through memberships in initiatives, and we remain in close dialogue with standard-setting institutions and NGOs. Stakeholder engagement and participation in organisations, working groups etc. enable us to promote projects that support our efforts and those of our suppliers to improve social compliance in our supply chains.

For an overview of all memberships and commitments, see 'Stakeholders & networks'.

PROGRESS & MEASURES 2023

Numerous steps have already been taken to reduce human-rights risks in our food and non-food supply chains, and to improve adherence to social standards as described above.

You will find a brief update below on the main developments and new projects for social compliance in 2023.

Forced labour and child labour

GRI 408/3-3, 408-1, 409/3-3 Since we identified forced labour and child labour as a salient risk in our high-priority supply chains, we are committed to establishing preventative systems and procedures, and remediation measures and processes. Freedom from slavery and forced labour means that all forms of servitude or slavery, including forced, bonded, indentured, trafficked, and non-voluntary work are unacceptable in ALDI companies and along our supply chains. Besides vulnerable groups like migrant workers and women, children are particularly vulnerable and must be protected. Every child has the right to a healthy and safe environment with access to education, play and recreation, an adequate standard of living, and protection from abuse and harm.

Our systems and procedures to prevent forced and child labour in our supply chains include our ASAs or other third-party audits and certifications. In our HRIAs, we strive to gain a better contextual understanding of the root causes, and identify links between our business activities and the occurrence of forced and child labour. This insight helps us to define measures to address forced and child labour.

We know that many root causes of systemic infringements are difficult to combat as an individual company. We are therefore strengthening our participation in multi-stakeholder initiatives, and engaging in dialogue with business partners, producers, trade unions, civil rights organisations, and political actors.

We also work closely with external experts such as the Mekong Club, a non-profit organisation based in Hong Kong, which promotes sustainable practices against modern slavery in the private sector, and develops helpful guidance such as tools, resources, and consultations to combat slavery worldwide. Their latest project is the Supplier Portal, which includes a transparency and legislative guide for suppliers on upcoming legislation related to forced labour, e-learning modules on modern slavery, and an anonymous FAQ section for suppliers to create an open space for uncertainties and unanswered questions.

Most of our non-food production facilities are located in Asia and we cooperate with The Centre for Child Rights and Business, an organisation that specialises in children's rights in global supply chains. If child labour is identified, ALDI Nord enables the child to participate in a joint remediation programme. In addition to direct financial support for schooling activities, the remediation steps also include regular consultations with the children's families and teachers. Capacity training can be offered to the production facilities in order to prevent further child labour issues.

We take all incidents and allegations of forced labour or child labour seriously, regardless of whether they are reported by ALDI employees, workers, external auditors, business partners, civil society, the media, or other stakeholders.

Addressing gender equality

We believe that by addressing the challenges women face in supply chains, we can help promote greater diversity overall and build safer and more inclusive supply chains.

In addition to our gender equality policy, we integrate the gender lens in our ongoing work, for example, in capacity-building projects and in our HRIAs. As we recognise that gender-inequality issues are difficult to address as an individual company, our objective is to strengthen our participation in multi-stakeholder initiatives, and reinforce our dialogue with business partners, producers, trade unions, women's rights organisations, and political stakeholders.

Furthermore, we contributed financially to a study conducted by THIRST, Women Working Worldwide and Michael Pennant-Jones about Risk factors for Gender-Based Violence and Harassment in the Tea Sector, since we acknowledge the vulnerability of women in many agricultural sectors such as the tea industry. The aim of our contribution was to shed light on a little-studied sector, raise awareness, and create a foundation for positive change.

We will publish a case study on our gender-responsive due diligence with the NGO 'Women Win'. The ALDI case study focuses on the first step of gender-responsive due diligence: the gender-responsive policy statement where we introduce our gender policy.

Local capacity building in Bangladesh

GRI 414-2 In August 2022, ALDI Nord launched the ALDI Industry Sustainability Project (AISP) with the Karmojibi Nari NGO at 12 production facilities around Dhaka, Bangladesh. The project aims to improve social standards through training, and enable production facilities to provide safe and reliable childcare centres. The training component covers topics such as employee recruitment and rights, health and safety standards, gender-based violence and harassment, and female empowerment. The project provides training on improving childcare management systems, and caregiver training, for example, on health and nutrition. After year one, we were able to improve the knowledge of social standards at the level of senior management and worker representative, and increase the number of children visiting the childcare centres in all participating production facilities by at least 50 per cent. The Learning Sharing Meeting held in September 2023 attended by colleagues from our headquarters and representatives from each factory provided a forum for sharing insights and outcomes such as the purchase of toys and learning materials for the childcare centres. In August 2023, the project entered its second round with 13 factories (seven in the training module and six in the facility-based childcare centre module).

Living wages for banana farmers

GRI 204/3-3, 304/3-3, 308/3-3 Living wages and living incomes are integral to human rights and essential to reducing inequality and eradicating poverty. Due to the political, economic, and social context, current minimum wage levels in global supply chains do not always ensure adequate remuneration to provide workers and their families with a decent standard of living. This can constitute an infringement of the human rights of the affected workers, farmers, and their families. Besides the ALDI Position Statement on Living Wages and Living Incomes, we are part of the German Retailers Working Group on this topic coordinated by GIZ. We believe that an effective and lasting solution needs collaboration and level playing fields.

The sourcing targets for Living Wage Bananas within the GIZ Working Group relating to Cavendish bananas sold in the German market (excl. branded bananas) from 2023 onwards are as follows:

- By 2023, at least 7 per cent of each member's total banana volumes will be sourced as Living Wage Bananas from Ecuador; targeted volumes must include bananas in the entry-level price segment and may include other product lines.
- By 2025, each member aims to source at least 50 per cent of each member's total banana volumes as Living Wage Bananas; those volumes must be sourced from Ecuador and additional sourcing countries.
- By 2025, at least 90 per cent of volumes sourced from Ecuador must be sourced as Living Wage Bananas.

The 2023 Working Group target achievement is currently being verified through on-site visits at the producer level. The final results of this verification process are not yet available at the time of publication.

In 2023, pilot projects continued with Fairtrade and Rainforest Alliance. In addition, we intensified dialogue on the topic of living wages and incomes between the working group and other stakeholders in the banana sector such as NGOs, producer associations, and trade union representatives. After the working group in Ecuador generated initial insights, the project was extended to Costa Rica and Colombia in the summer of 2023. Furthermore, the new practices

that resulted from these insights will be rolled out to other farms as part of the Living Wage Piloting Programme (LWPP) in 2024. The working group plans to work on a toolbox for sustainable purchasing practices, which will also be used as part of the LWPP.

At the Fairtrade Global Awards and Business Summit in Nairobi held on 4 October 2023, the German Retail Working Group on Living Wages, including ALDI Nord, received an award in the Fairtrade Living Wage Leader category for its commitment to living wages in the banana sector. The German Retail Working Group on Living Wages initially focused on the banana supply chain and started implementation in Ecuador, one of the main banana-exporting countries. Since mid-2023, initial activities relating to the project have also been implemented in Costa Rica and Colombia. This year, the Working Group jointly agreed on a second project to promote living income and decent living conditions in the coffee supply chain with pilot countries Peru and Honduras.

The Belgian retail commitment to Living Wages in the banana sector is a coalition of retailers, including ALDI Belgium. It will strive to close the living wage gap for their collective banana volumes sold on the Belgian market by the end of 2027. We will join forces to map the banana supply chains, measure the living wage gap, and analyse and implement subsequent strategies and practices within our company processes, procurement practices, and systems.

Our strategy to establish grievance mechanisms

GRI 2-25, 414/3-3 Grievance mechanisms enable identification of adverse risks and impacts and ensure that affected people, communities, and representatives can raise their concerns anonymously, and seek remediation.

A whistleblower system is available in each ALDI country to internal and external parties as a confidential channel to anonymously submit concerns and grievances. ALDI Nord sources products from many different countries with supply chains spanning continents, and we are aiming to expand the accessibility of our whistleblowing channels by providing additional languages. As part of this endeavour, we analysed the employment structure in our supply chains in order to identify the most commonly spoken languages. This step enables us to empower a large number of rightsholders in our supply chains to use our grievance mechanism.

In addition, we partner with civil society and industry stakeholders to support the creation and implementation of multi-stakeholder grievance mechanisms in production countries. We are engaged in projects such as the amfori Speak for Change Programme, the Impartial Worker Occupational Safety and Health Complaints Mechanism of the RMG Sustainability Council (RSC), the Complaints System of the Roundtable on Sustainable Palm Oil (RSPO) as well as appellando, a grievance mechanism due to be rolled out in Spain. These channels are an additional option complementing our ALDI grievance mechanism for rightsholders to submit complaints and grievances.

Our commitment to transparency and disclosure

GRI 2-6, 417-1 Transparency is essential to fulfil our responsibility to respect human rights. Besides sharing the existing measures, we are aiming to gradually make our high-priority supply chains more transparent. We have facilitated this by starting to publish the names and addresses of active first-tier suppliers in high-priority food supply chains.

The ALDI Transparency Code (ATC) covers several commodity groups in Germany such as textiles or fresh meat, and provides our customers with a list of all primary production facilities used by ALDI Nord suppliers. It discloses the entire supply chain for specific products. The ATC makes available extensive information related to the product, production steps, and additional background information. This includes insights on sustainable usage for textiles such as washing instructions, recycling options, and sustainability initiatives. In 2023, the ATC was available for about 82.5 per cent of certified cotton items offered by ALDI Nord Germany. Further information on tracking fresh meat and fish and seafood with the help of the ATC can be found in the section 'Transparency & communication'.

Awards and rankings provide reliable indications of our performance and opportunities for improvement. These include Oxfam's critical supermarket checks.

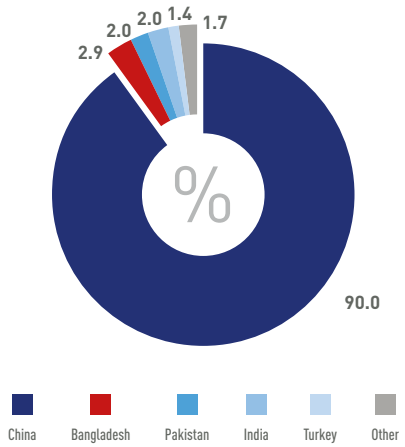
Monitoring social compliance in global production facilities

GRI 308/3-3, 308-2, 407-1, 414/3-3, 414-1/2 In 2023, ALDI Nord conducted a total of 331 ASAs, with 298 for the non-food supply chains and 33 for food supply chains. We identified severe risks at 65 of the audited non-food production facilities and at seven of the food production facilities. Severe risks are critical deviations from our policies and standards in areas such as Occupational Health and Safety. As of 31 December 2023, the production facilities and our suppliers have resolved 11 of these severe risk findings (ten in the non-food and one in food supply chains). We expect all suppliers to remediate any deficiencies as quickly as possible in accordance with agreed corrective action plans. ALDI's CR departments regularly check the remediation until the severe risks have been resolved.

The CR Supplier Evaluation for the ALDI Nord food supply chain in 2023 focused on fish and seafood along with fresh produce. We conducted on-site ASAs in China, Colombia, Costa Rica, Ecuador, Spain, South Africa, Morocco, and Vietnam. ASAs/CRSE were extended beyond tuna to all canned fish sourced by our International Procurement department this year, primarily adding canned sardines and mackerel to the scope. Further development in the next year will include frozen fish and chilled convenience fish articles and their supply chains.

NON-FOOD PRODUCT GROUP PRODUCTION FACILITIES BY COUNTRY

Share of non-food production facilities used by producing country (in per cent)



ALDI SUSTAINABILITY ASSESSMENTS (ASAs)

	2021	2022	2023
ALDI Sustainability Assessments (non-food)			
Total number of ALDI Sustainability Assessments	263	262	298
Share of ASAs where Severe Risks have been identified in the total number of ASAs (in per cent)	–	28.6	21.8
Share of ASAs where the remediation of Severe Risks has been completed (in per cent)	–	40.0	15.4
ALDI Sustainability Assessments (food)			
Total number of ALDI Sustainability Assessments	–	64	33[1]
Share of ASAs where Severe Risks have been identified in the total number of ASAs (in per cent)	–	4.7	21.2
Share of ASAs where the remediation of Severe Risks has been completed (in per cent)	–	100.0	71.4

1 The number of Food ASAs was higher in 2022 due to additional ASAs conducted in Latin America as part of a pilot for the avocado/citrus supply chain and several site visits by ALDI Nord. In addition, significant supplier consolidation resulted in a lower number of ASAs being required in 2023.

In November 2023, ALDI Nord signed the International Accord on Health and Safety in the Textile and Garment Industry and the Bangladesh Agreement on Health and Safety in the Textile and Garment Industry. These are follow-up agreements to the former Accord on Fire and Building Safety in Bangladesh. Inspections are carried out to ensure adequate fire protection and general building safety. From the beginning of 2023, we additionally signed the newly established Pakistan Accord to roll out the same approach in ALDI supply chains in Pakistan. See the sub-section above, Third-party audits.

The Accord continues to serve as a crucial tool for continuously improving the safety and well-being of workers in the textile industry – including in its future iteration as RMG [ready-made garment] Sustainability Council (RSC) in Bangladesh.

GRI FP2

CERTIFIED SUSTAINABLE COFFEE

Share of certified sustainable coffee as a proportion of the total weight of coffee procured for private label products in the standard and special-buy product ranges only online (in per cent)

In 2023, around 76 per cent of the procured private label coffee was certified in accordance with one of the following sustainability standards: Rainforest Alliance and Fairtrade/Organic certified. The largest portion was attributable to Rainforest Alliance certification (around 94 per cent), followed by a share of around 6 per cent with Fairtrade/ Organic certification.

	2021	2022	2023[1]
Belgium/Luxembourg[2]	60.3	61.4	67.2
Denmark	85.1	85.1[3]	–
France	60.2	61.5	71.5
Germany	51.6	54.5	73.7
Netherlands	65.4	97.4	100.0
Poland	56.7	46.5	74.5
Portugal	77.6	45.4[4]	65.3
Spain	70.6	49.7[4]	68.0
ALDI Nord	**57.5**	**79.4**	**75.7[5]**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 ALDI Denmark reports the same data for 2022 as for 2021, as a decision was taken to withdraw from the Danish market at the end of 2022.
4 Due to the current market situation and demand, less certified coffee was purchased by ALDI Portugal and ALDI Spain in 2022.
5 Deviations from the previous year are also due to different databases.

GRI FP2

CERTIFIED SUSTAINABLE TEA

Share of certified sustainable tea as a proportion of the total weight of procured private label tea products in the standard and special-buy product ranges, broken down by certification standard only online (in per cent)[1]

In 2023, around 57 per cent of our private label tea products were certified with one of the following sustainability standards: Rainforest Alliance, EU Organic and Fairtrade/EU Organic. The largest portion was attributable to Rainforest Alliance (around 94 per cent), followed by EU organic (around 4 per cent), and Fairtrade and EU organic (around 3 per cent).

	2021	2022	2023[2]
Belgium/Luxembourg[3]	83.0	94.6	99.6
Denmark	60.8	60.8[4]	–
France	70.9	68.5	75.1
Germany	70.9	72.6	72.7
Netherlands	88.3	94.8	96.1
Poland	75.1	40.6	24.1
Portugal	61.2	64.2[5]	61.4
Spain	62.1	61.7[5]	68.4
ALDI Nord	**72.4**	**69.4**	**56.9**

1 The scope of data takes into account private label products containing tea (items that contain products from the tea plant, such as black and green tea), as well as private label products containing tea infusions (such as herbal and fruit tea).
2 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
3 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
4 ALDI Denmark reports the same data for 2022 as for 2021, as a decision was taken to withdraw from the Danish market at the end of 2022.
5 Due to product range changes, procurement and a change in demand, the certified share has decreased in comparison to 2021.

GRI FP2

CERTIFIED SUSTAINABLE COCOA

Share of certified sustainable cocoa, as a proportion of the total weight of procured private label cocoa in standard and special-buy product ranges, broken down by certification standard only online (in per cent)

In 2023, roughly 100 per cent of the weight of private label products containing cocoa was certified sustainable cocoa. The largest portion was attributable to Rainforest Alliance certification (around 71 per cent), followed by Fairtrade certification (around 29 per cent) and EU organic (around 0.2 per cent).

	2021	2022	2023[1]
Belgium/Luxembourg[2]	100.0	99.8	99.8
Denmark	96.6	96.6[3]	–
France	97.7	98.8	99.8
Germany	99.1	99.4	100.0
Netherlands	99.5	99.1	99.9
Poland	98.5	98.8	99.5
Portugal	97.5	99.1	100.0
Spain	94.6	97.6	98.5
ALDI Nord	**98.7**	**99.1**	**99.8**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 ALDI Denmark reports the same data for 2022 as for 2021, as a decision was taken to withdraw from the Danish market at the end of 2022.

Fair business relations: How we empower local farmers and promote fair trade projects

GRI 2-6, 413-1, 414-2 We understand that smallholder farmers face numerous specific challenges. Due to many factors beyond farmers' control – such as climate change, unpredictable weather conditions, international energy prices affecting farm inputs, and lack of market access – producing a stable quantity of crops is challenging. Consequently, farmers are often unable to earn a living wage. Additionally, there are a number of interrelated human rights issues (child labour and gender inequality) and ongoing poverty in the farming sector. We work on improving workers' living conditions through various approaches, ranging from increasing the share of certified sustainable resources (such as Fairtrade or Rainforest Alliance) to supporting projects in sourcing countries.

Since 2016, our International Coffee Purchasing Policy has stipulated an increase in the share of certified coffee in our private label products. At the end of 2023, around 76 per cent of all certified coffee used in private label products throughout all ALDI companies featured the EU organic, Fairtrade, or Rainforest Alliance Certified label (2022: about 79 per cent).

Our International Tea Purchasing Policy regulates the purchase of all raw tea volumes for the ALDI Nord product categories of black, green, herbal, and fruit tea (bags and loose tea). By the end of 2023, around 77 per cent of the black and green tea volumes used in private label products throughout all ALDI companies had been certified as sustainable (EU organic logo, Fairtrade, or Rainforest Alliance Certified™ label). At ALDI Netherlands, all cocoa, tea, and coffee are certified (Rainforest Alliance or Fairtrade).

The third phase of our coffee project in Colombia with our project partner, SKN Caribecafé, started in November 2023. This time with a unique feature: the project will receive additional financial support for one year from the Due Diligence Fund of an Initiative for Sustainable Agricultural Supply Chains (Initiative für Nachhaltige Agrarlieferketten – INA) from the German development agency 'Deutsche Gesellschaft für Internationale Zusammenarbeit' (GIZ). The total duration of the project will be 30 months.

GRI 414-2 Traceable and transparent supply chains, like Choceur CHOCO CHANGER, are a first step towards tackling these challenges. This private label was relaunched in early 2024 with a new product design. The cocoa beans for our Choceur CHOCO CHANGER chocolate are responsibly sourced through Tony's Open Chain. The chocolate has been sold in our companies in Belgium, Germany, Luxembourg, the Netherlands, Portugal, Spain, and France. By adhering to the following five sourcing principles, we are part of a mission to eliminate slave labour from the production of chocolate products:

- Having an open and transparent chain, where issues are always disclosed so they can be solved
- Ensuring direct and equal business relations throughout the entire chain
- Paying a higher price, so that farmers can make a living income
- Ending modern slavery and illegal child labour in the cocoa industry by setting a new industry standard
- A long-term commitment to sustainably optimise the conditions of cocoa production

In addition to the measures outlined above, we have been supporting the 'PRO-PLANTEURS' project as a member of the German Initiative on Sustainable Cocoa. The initiative has been improving the working and living conditions of cocoa farmers in Côte d'Ivoire since 2015. We are continuing to support PRO-PLANTEURS in the second project phase from 2020 to 2025. Furthermore, we are a member of Beyond Chocolate, a sector-wide partnership for a sustainable Belgian chocolate industry with clear targets on certification, living income, and deforestation in the cocoa sector. The goal is for cocoa growers to earn at least a living income by 2030, and to end deforestation by the same date through compliance with applicable agreements in the regions included in the Cocoa & Forests initiative. By 2025, all chocolate produced and sold in Belgium must comply with a relevant certification standard like Fairtrade or Rainforest Alliance. The other ALDI countries also aim to offer 100 per cent certified cocoa by Rainforest Alliance or Fairtrade by 2025.

In addition, we are currently involved in the World Banana Forum, the Juice CSR Platform, and the Sustainable Nut Initiative. Further targets for social responsibility can be found in our CR Agenda.



CLIMATE & ENVIRONMENT

HOW WE OPTIMISE OUR PROCESSES

Wherever we operate, we aim to steadily reduce the amount of energy and resources we consume. Our focus is on the reduction of CO_2e emissions. This is most apparent with our climate targets.

ALDI Belgium

93 STORES WITH CLIMATE FRIENDLY COOLING SYSTEMS

ALDI Belgium is part of the Flemish green deal 'Klimaatvriendelijke koeling' where we aim to convert all synthetic refrigerants in our cooling systems to natural refrigerants, substantially reducing our CO_2e emissions by 2030.

ALDI Netherlands

60,500 KILOGRAMMES OF BATTERIES COLLECTED

In 2023, customer returns in our stores enabled us to collect a total of 60,500 kilogrammes of batteries, 6,300 kilogrammes of small electronic appliances, and 3,500 kilogrammes of lamps for recycling by Stichting OPEN. This organisation complies with the legal producer responsibility on behalf of all producers of appliances, lamps and batteries in the Netherlands. This makes us one of the largest retail collectors of these waste streams in the country.

ALDI France

REDUCING OUR MEDIA STRATEGY'S ENVIRONMENTAL IMPACT

As ALDI France is a committed company, we've partnered with the green technology company 'Bcovery' to significantly reduce the carbon impact of our digital campaigns while maintaining high performance and low acquisition costs. This partnership has enabled us to save 65 tonnes of CO_2e this year, the equivalent of 40 return flights between Paris and New York.

ALDI Portugal



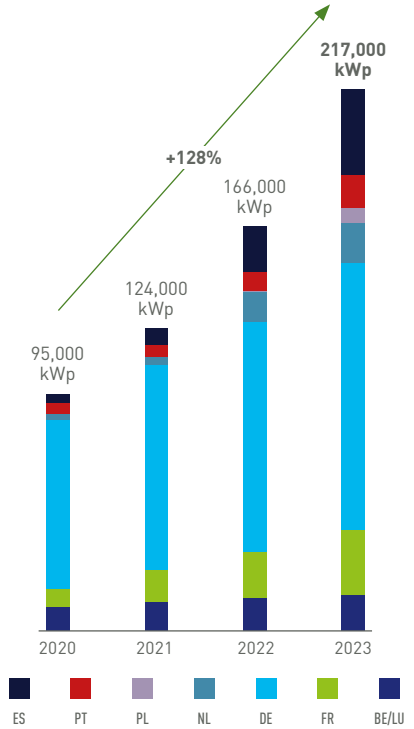
A HIGHLIGHT OF OUR GOOD DECARBONISATION PRACTICE

On 29 May 2023, the ALDI store in Setúbal opened its doors to the Association of Distribution Companies (APED), its members, and public bodies to demonstrate decarbonisation solutions and good practices.
As part of the 'Roadmap for the Decarbonisation of the Distribution Sector', the event showcased measures such as the benefits of photovoltaic systems to reduce the store's electricity consumption by 40%. Energy efficiency improvements like store warehouse windows facilitate a reduction in daily consumption by eleven hours in summer and nine hours in winter. The visit aimed to reinforce our commitment to climate protection and share knowledge to enhance collective action.

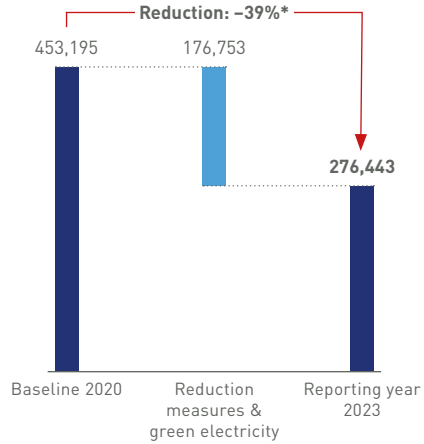
International



Over the last three years, the installed photovoltaic capacity at our facility was more than doubled from some 95,000 kWp to nearly 217,000 kWp.



1.5°C-SBT REDUCTION PATHWAY OF ALDI NORD



Note: values in tonnes of CO_2e.

ON THE RIGHT PATH

ALDI Nord is committed to achieving a 55% reduction in its greenhouse gas (GHG) emissions (Scope 1 and 2) by 2030 compared to 2020 levels, as part of our efforts to comply with the SBTi 1.5-degree trajectory. We have made notable progress towards this goal with a 39%* reduction in GHG emissions as of 2023. This result was achieved through various measures such as expanding our use of renewable energy, exchange of cooling systems to natural refrigerants, optimising logistic operations, and implementing energy-efficiency measures across our stores and distribution centres. We remain committed to reducing our carbon footprint further and working towards a sustainable future.

* Part of the reduction in GHG emissions is due to discontinuation of business in Denmark. If Denmark is excluded from the baseline, the reduction from 2023 compared to 2020 is 36%.

CLIMATE & ENVIRONMENTAL PROTECTION

GRI 301/3-3 We continuously monitor our value chains and work processes with the aim of providing our customers with more sustainable products. Climate and environmental protection at our sites and the production facilities of our suppliers play a significant role in these considerations. Our core ethos as a discounter motivates us to focus on the efficient use of resources. In response to consumer demands, we have introduced innovative efficiency management systems, while improving our processes and recycling management (for example, the establishment of a closed-loop bottle-to-bottle recycling process for non-alcoholic plastic bottles in some countries). This is our contribution to the future sustainability of ALDI Nord and our approach to resilient risk management.

OUR APPROACH

GRI 302/3-3, 305/3-3 We use all resources in our business environment as efficiently as possible. Our policies, targets, management systems, and measures for handling energy, waste, and water were developed to meet this demand. Climate protection is one of the greatest societal challenges of our time. For this reason, we place particular emphasis on reducing our energy consumption and CO_2e emissions.

The effects of human-made climate change are becoming increasingly apparent. Against this backdrop, the ALDI Nord Group is taking responsibility for reducing its contribution to climate change. The Science Based Targets initiative (SBTi) has become the internationally recognised standard for defining corporate climate protection targets. We have joined the SBTi and committed ourselves to setting scientifically verified and binding targets for the reduction of CO_2e emissions. Our climate goal is to reduce our greenhouse gas (GHG) emissions throughout the ALDI Nord Group by 55 per cent by 2030 compared to our 2020 levels. In 2024, we will complete the recalculation of the 2020 baseline, which is required due to changes in the corporate structure. This target applies to all GHG emissions caused during the course of our business activities, referred to as Scope 1 and Scope 2 emissions. Scope 3 emissions are covered by a supplier engagement target, and are generated outside the direct control of the ALDI Nord Group along the value chain – upstream and downstream. An overview of our company's emissions and distribution can be found in our 2021 Sustainability Report. We encourage all suppliers, who are responsible for 75 per cent of the Scope 3 emissions (in the category 'Purchased goods and services'), to set science-based targets by 2024. Both climate targets were approved by the SBTi and have been communicated as science-based targets to stakeholders since July 2022.

Our 2023 carbon footprint breaks down our GHG by emission source and is determined according to the internationally recognised standard of the Greenhouse Gas Protocol. By switching to green electricity in Germany and making savings in energy consumption, we were able to significantly reduce emissions in our stores and distribution centres. As a consequence, the share of these areas in GHG emissions in 2023 has changed by comparison to the breakdown communicated in previous years. Our main Scope 1 and 2 emission sources are:

- **Stores**: At about 40 per cent, store operations account for the largest share of our GHG emissions. Most energy is used for sales floor lighting, store heating, and food refrigeration.
- **Logistics and fleet**: Around 28 per cent of our GHG emissions are generated in logistics. The majority is due to the diesel consumption of trucks when delivering to our stores.
- **Refrigerant-loss**: Despite careful precautions throughout our cooling chain, small amounts of refrigerant may leak into the atmosphere, where they act as greenhouse gases. Refrigerant-loss-related emissions account for 21 per cent of our GHG emissions.
- **Distribution centres including offices**: The total share of GHG emissions caused by our logistics centres including offices is around 11 per cent. Heating is responsible for the largest share of emissions followed by electricity for refrigeration and lighting.

Due to the corporate reorganisation of the ALDI Nord Group described in the management section, we will recalculate the baseline for Scope 1 and 2 targets in the near future. At the same time, we are going to set a SBTi FLAG (forest, land use, agriculture) science-based target by the end of 2024. For further details on deforestation, see the section Environmental responsibility in the supply chain.

You can find further information about emissions and the individual scopes, including information about Scope 3 emissions, in the sub-section 'Determination of our climate footprint'.

ORGANISATION

GRI 302/3-3, 305/3-3, 306/3-3 The department Corporate Responsibility Quality Assurance International (CRQAi) advises on our Climate Protection Policies and other strategic concepts. Close cooperation between relevant departments, divisions, and expert teams is essential. Two of those teams are Team Climate and Team Environment. Team Environment addresses environmental issues like deforestation, aligning closely with Team Climate. This alignment is crucial as environmental and climate topics often intersect, such as the correlation between deforestation-free soy and reduced GHG emissions. Climate protection also requires the collaboration and expertise of various specialist departments. On the international level and within the countries, the CR departments, Real Estate & Expansion, and Supply Chain Management departments work closely together. This provides a dual approach: an agile response to new technological advancements, such as storage or cooling technologies, and the

systematic monitoring of stakeholder and legal developments. Furthermore, there is cooperation between the national climate teams. This involves monthly meetings (Climate Expert Working Group) with participation by CR colleagues from the ALDI countries. These meetings facilitate exchanges on climate issues, protection measures, and goals, alongside country-specific discussions.

Reverse Logistics Managers within the International Supply Chain Management department are responsible for pooling solutions to implement reusable systems (for example, reusable plastic containers for fruit and vegetables) and waste management solutions for all ALDI stores and distribution centres. Reverse Logistics Managers coordinate with our operating units and external service providers to optimise waste avoidance and recycling processes. Experience gained from waste in each country can then be used for improvements throughout ALDI Nord. The management of (waste) water in the company plays a subordinate role due to the low consumption volumes in the stores and administrative buildings, and this is not therefore managed centrally. The individual regional companies have separate contracts with their regional suppliers.

We have further internationalised and merged our management operations. International Supply Chain Management and specifically Reverse Logistics now has central coordination and responsibility for company-wide waste management activities. Since the end of 2021, we have also established an international Returns Management System for the ALDI Nord Group. The system is designed to avoid the destruction of (unsold and returned) products that are still in good condition. We are focussing on reusing these articles, but if this is not possible we want to recover recyclable materials from these items, and make them available in the recycling system. Even though this is an international approach, there may be slight differences in national implementation.

Regulations

As part of our sustainability approach, we monitor EU legislative proposals regularly and respond in advance to likely or upcoming legislation. One example is the regulation on fluorinated greenhouse gases (F-Gas), which aims to cut emissions across the EU by 2030. This regulation is very relevant to us because we use refrigerants in our cooling systems to provide fresh and safe products to our customers. Similarly, implementation of the EU Energy Performance of Buildings Directive in 2020 played a role in decisions relating to the planning and building of new stores, for instance, the mandatory construction of charging points for electric vehicles. We monitored these proposals from an early stage and adapted our processes appropriately. Another example is the influence of the EU Waste Framework Directive. We have continually developed the Reverse Logistics department as part of International Supply Chain Management for ALDI Nord. All pooling (for example, reusable plastic containers) and waste-related issues are now controlled and managed centrally. In Germany, Portugal, Spain and the Netherlands there may be a legal obligation to take back electrical and electronic equipment waste from the customer, regardless of where the customer originally purchased the item. ALDI Nord offers the same take-back of used electrical and electronic equipment in all countries, even though there is no legal obligation. ALDI Netherlands is obliged by law to provide information on all implemented energy-saving measures.

The EU Energy Performance of Buildings Directive stipulates energy parameters for the construction of new facilities. As ALDI Nord Germany already builds highly energy-efficient facilities, no adjustment of planning permission was required. New regulations from the EU on the implementation of electric vehicle (EV) charging stations required ALDI Nord to provide at least one charging point on all new and existing buildings. Logistics and mobility are of particular interest in most ALDI countries, and several Green Deals have been established. We expect to be impacted by the restrictions drawn up in the initiative. Sustainable mobility is also a current topic in many ALDI countries, with an increase in e-mobility, car-sharing systems, and cycling infrastructure.

In addition, we are affected by the EU Green Deal, which envisions a reduction of greenhouse gases in the EU of at least 55 per cent by 2030, and by the Fit for 55 package, which includes new directives and regulations from the European Commission on climate policy. The aim of Fit for 55 is to help achieve the goals of the EU Green Deal.

In Spain, there are two new regulations related to waste and waste management: the Law on Waste and Contaminated Soils for a Circular Economy and the Royal Decree on Packaging and Packaging Waste. Both regulations have new targets and measures related to the prevention, reduction, and recycling of waste. The Law on Waste and Contaminated Soils for a Circular Economy also includes a plastic tax on all non-recycled plastics.

PROGRESS & MEASURES 2023

Our climate targets

GRI 305/3-3, 305-5 Our current goal is to reduce 55 per cent of our greenhouse gas emissions (GHG) (Scopes 1 and 2) throughout ALDI Nord by 2030 compared with our 2020 levels so as to align with the SBTi 1.5-degree pathway. According to SBTi criteria, once Scope 3 emissions account for at least 40 per cent of the company's total emissions (Scopes 1–3), the organisation must set a Scope 3 target. As the Scope 3 emissions were approximately 99 per cent of our total emissions, we identified and analysed the seven most relevant categories. The analysis revealed that most of the emissions – 96 per cent – were in Category 1, 'Purchased goods and services', a common occurrence in the retail sector. These emissions are generated by suppliers of the ALDI companies where we have limited influence. We

are therefore aiming for all suppliers responsible for 75 per cent of the Scope 3 emissions (in the category 'Purchased goods and services') to commit to setting science-based targets by 2024. The suppliers can meet our criteria by having a validated science-based target, committing to the SBTi, or setting a science-based reduction target in line with SBTi resources. In 2023, we reached 50 per cent of the target.

We are working closely with our key partners and suppliers to reduce GHG emissions, for example, by providing free webinars on the requirements for operational climate accounting and the definition of SBTs. ALDI Nord continuously reviews the suppliers' implementation status for the supplier-engagement target and climate-commitment progress. Between the end of 2022 and the beginning of 2023, we conducted workshops together with five of our key suppliers. We also worked on setting and reviewing best practices with these key suppliers. In November 2023, we hosted a climate targets webinar for our suppliers. This webinar presented our climate commitments and targets. A representative from the SBTi then provided information on science-based targets and target setting. On this foundation, we also offered another webinar in January 2024 for all suppliers falling within the scope of our supplier-engagement target. This webinar aimed to support our suppliers in completing the annual supplier survey and clarify open questions. ClimatePartner supported us in implementing the webinar.

Measures to reach our goals

GRI 302/3-3, 303/3-3, 303-1/2, 305/3-3 As part of the development of goals in line with the SBTi criteria, we incorporated various measures in our stores, distribution centres, and logistics, as well as the purchase of renewable energies. The measures and their implementation vary in the individual countries. The following measures have been implemented in some or all of the countries where they are possible and most effective:

STORES

- Installation of photovoltaic (PV) systems on store roofs (2023: 1,570 systems in total, with a capacity increase by 30 per cent compared to last year)
- Exchange of cooling systems with climate friendly alternative plug-in freezers
- Replacing natural gas heating systems and fluorinated gas (F-gas) refrigeration systems with combined heating and refrigeration systems, including heat pumps, natural refrigerants, and heat recuperation
- Equipping refrigerators with glass doors in selected stores
- Conversion to LED lighting inside and outside (including car parks)
- Retrofitting of annexes with LED
- Introduction of an energy management system
- Regulation of temperatures to a permissible minimum value
- Providing stores with electric charging stations for cars

DISTRIBUTION CENTRES

- Installation of PV systems (2023: 24 systems in total, with a capacity increase of 72 per cent compared to last year)
- Insulation measures for cooling chambers, façade, and roof
- Guidelines for temperature management
- Evaluation of heat recuperation from cooling systems
- Conversion to LED lighting and lighting on demand

LOGISTICS AND FLEET

- Introduction of telematics systems and eco-intensive training programmes
- Optimisation of frequency and capacity relating to transport
- Introduction of tyre pressure control systems for trucks
- Conversion to e-drive cars

PURCHASING GREEN ELECTRICITY

The following countries already purchase electricity from renewable sources:

- Belgium
- Germany
- The Netherlands
- Spain

Determination of our climate footprint

GRI 305-5 Our carbon footprint is determined in accordance with the internationally recognised standard set by the Greenhouse Gas Protocol, which provides a binding framework for performing the calculation. Since we have set independent targets for Scopes 1, 2, and 3, we use two separate carbon footprints as the baseline for 2020. A total of around 27.2 million tonnes of CO_2e were emitted in 2020 across all scopes. We will measure progress towards our goals in 2030 against this baseline. For Scopes 1 and 2, a total of 453,195 tonnes of CO_2e were emitted in 2020. In 2023, a total of 276,442 tonnes of CO_2e were emitted for Scopes 1 and 2. Compared to our baseline, we have already saved almost 39 percentage points of the planned 55 per cent.

Scope 3 emissions account for the largest share of a retailer's total carbon footprint, as is common in the industry. The share of Scope 3 emissions of the ALDI Nord Group was around 99 per cent in 2020. Data on Scope 3 emissions for 2023 were still recalculated for the development of our FLAG Target at the time of the editorial deadline. More information on the categories covered in 2020 and our 2020 baseline footprint can be found in the Sustainability Report 2021.

GRI 302-1

DIRECT ENERGY CONSUMPTION

Direct energy consumption in buildings and logistics by country (in MWh)[1,2]

	2021	2022	2023[3]
Belgium/Luxembourg[4]	111,337	102,010[5]	94,973
Denmark	20,480	20,187	–
France	154,377	176,671[5]	145,299
Germany	392,879	369,288[5]	304,445
Netherlands	78,543	64,077	55,206
Poland	28,717	30,796[5]	31,930
Portugal	2,730	3,188	3,128
Spain	6,075	6,843	9,035
ALDI Nord	**795,137**	**773,061**	**644,015**

1 The data were partly based on estimates and extrapolations.
2 Due to a discrepancy between direct and indirect energy consumption by source, the calculation was adjusted.
3 Due to the end of our business activity in Denmark, no data on remaining Scope 1 and 2 emissions in Denmark was collected in 2023. This must be taken into account when interpreting the overall results and changes in the totals for ALDI Nord compared to previous years.
4 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
5 The value for 2022 was corrected by comparison to the information published in the previous year's report.

GRI 302-1

DIRECT ENERGY CONSUMPTION BY SOURCE

Direct energy consumption in buildings and logistics by energy source (in MWh)[1]

	2021	2022	2023[2]
Natural gas	424,155	411,188[3]	325,721
Heating oil	22,416	22,685	16,269
Biogas	1,430	1,217	1,157
Diesel (incl. diesel generators)	345,363	334,421[3]	295,225
Petrol	1,340	3,141[3]	5,276
Liquid gas	432	408	367

1 The data are partly based on estimates and extrapolations.
2 Due to the end of our business activity in Denmark, no data on remaining Scope 1 and 2 emissions in Denmark was collected in 2023. This must be taken into account when interpreting the overall results and changes in the totals for ALDI Nord compared to previous years.
3 The value for 2022 was corrected by comparison to the information published in the previous year's report.

ELECTRICAL ENERGY FROM RENEWABLE SOURCES (GREEN ELECTRICITY)

Electrical energy including renewable energies, in-house PV consumption and guarantees of origin (in MWh)

	2021	2022	2023[1]
Belgium/Luxembourg[2]	105,129[3]	105,885[3]	111,990
Denmark	1,138	2,000	–
France	10,146	12,751	16,426
Germany	531,190[3]	563,020[3]	515,900
Netherlands	105,422	111,296	111,242
Poland	115	115	1,397
Portugal	4,824	6,546	11,079
Spain	140,446	154,622	182,540
ALDI Nord	**898,410**	**956,234**	**950,574**

1 Due to the end of our business activity in Denmark, no data on remaining Scope 1 and 2 emissions in Denmark was collected in 2023. This must be taken into account when interpreting the overall results and changes in the totals for ALDI Nord compared to previous years.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 The value for 2022 was corrected by comparison to the information published in the previous year's report.

GRI 302-1

INDIRECT ENERGY CONSUMPTION

Electricity and district heating consumption (in MWh)[1]

Electricity consumption at 1,302,455 MWh is responsible for the most significant share of energy demand at our locations. It decreased by around 5 per cent. The decrease is due to electrification (heating and cooling) and energy efficiency measures. Additionally mild winter and warm autumn resulted in reduced heating.

	2021			2022			2023[2]		
	Total[3]	Electricity	District heating	Total[3]	Electricity	District heating	Total[3]	Electricity	District heating
Belgium/Luxembourg[4]	102,674	102,674	–	101,142[5]	101,142[5]	–	108,421	108,421	–
Denmark	45,919	39,289	6,630	48,080	41,450	6,630	–	–	–
France	311,187	296,133	15,054	344,261	328,917	15,344	337,030	327,058	9,971
Germany	514,077	493,071	21,005	537,509[5]	514,680[5]	22,829	486,517	454,419	32,098
Netherlands	104,409	103,784	625	107,402	106,798	605	105,291	104,787	504
Poland	45,180	38,522	6,658	55,742	46,797	8,945	70,285	52,928	17,357
Portugal	30,989	30,989	–	37,453	37,453	–	41,388	41,388	–
Spain	135,066	135,066	–	141,436	141,436	–	153,523	153,523	–
ALDI Nord	**1,289,500**	**1,239,527**	**49,973**	**1,373,026**	**1,318,672**	**54,354**	**1,302,455**	**1,242,526**	**59,930**

1 The data are partly based on estimates and extrapolations.
2 Due to the end of our business activity in Denmark, no data on remaining Scope 1 and 2 emissions in Denmark was collected in 2023. This must be taken into account when interpreting the overall results and changes in the totals for ALDI Nord compared to previous years.
3 Totals may deviate due to rounding.
4 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
5 The value for 2022 was corrected by comparison to the information published in the previous year's report.

RENEWABLE AND NON-RENEWABLE ENERGY CONSUMPTION (IN MWH)

	2022[1,2]	2023[3]
Total energy consumption	2,250,656	2,080,746
from renewable sources[4]	962,161	951,731
from non-renewable sources	1,288,494	1,129,015
Electricity	1,423,241	1,376,801
from renewable sources	960,944	950,574
external[5]	856,367	816,213
consumption from own PV production	104,577	134,360
from non-renewable sources	462,297	426,227

1 Totals may deviate due to rounding.
2 Due to an adjustment to the calculation, the figures for 2022 have been corrected by comparison to the figures published in the previous year's report.
3 Due to the end of our business activity in Denmark, no data on remaining Scope 1 and 2 emissions in Denmark was collected in 2023. This must be taken into account when interpreting the overall results and changes in the totals for ALDI Nord compared to previous years.
4 Including Guarantees of Origin, renewable energy contracts, PV in-house production, and biogas purchases.
5 Including Guarantees of Origin and renewable energy contracts.

GRI 305-1/2

GREENHOUSE GAS EMISSIONS SCOPE 1 AND 2

Greenhouse gas emissions Scope 1 and 2 (in tonnes CO_2e)

Greenhouse gas emissions were calculated on the basis of energy and fuel consumption and refrigerant losses. The calculation is carried out in accordance with the requirements of the Greenhouse Gas (GHG) Protocol using the DEFRA emission factors or GEMIS for emissions from the sourcing of district heating. In accordance with the GHG Protocol, Scope 2 emissions from electricity consumption have been calculated separately since 2019 by location-based and market-based emission factors. While the location-based method uses the factors for a specific geographical region (such as a country), a company's individual electricity mix is used – wherever possible – for the market-based factors by way of the emissions actually generated by the energy producer. The calculation of location-based greenhouse gas emissions is based on the factors specified by the International Energy Agency (IEA).

	2021			2022			2023[1,2]		
	Scope 1[3]	Scope 2[4,5] 'location-based'	Scope 2[4] 'market-based'	Scope 1[3]	Scope 2[4,5] 'location-based'	Scope 2[4] 'market-based'	Scope 1[3]	Scope 2[4,5] 'location-based'	Scope 2[4] 'market-based'
Belgium/Luxembourg[6]	35,929[7]	51,138	1,405[7]	32,302	51,013	1,613[7]	27,693	51,678	1,674
Denmark	9,161	21,985	15,660	5,018	22,900	16,477	–	–	–
France[8]	66,905	49,621	32,155	84,949	34,309	16,743	60,476	30,571	13,149
Germany	99,247	291,756	5,338	96,131	331,748	8,159	78,924	166,683	8,223
Netherlands	27,878	38,419	81	28,457	32,416	78	17,717	57,298	66
Poland	8,020	53,656	24,405	7,867	60,342	26,937	8,358	78,285	35,610
Portugal	3,596	13,545	6,188	2,381	17,170	10,226	2,735	16,539	10,264
Spain	12,110	27,121	–	12,126	22,022	–	11,553	23,374	–
ALDI Nord	**262,846**	**547,240**	**85,232**	**269,232**	**571,919**	**80,234**	**207,456**	**424,428**	**68,986**

1 Values may differ compared to the information published in the previous year's report, as some changes have been made in the input data leading to changes in the emission calculation.
2 Due to the end of our business activity in Denmark, no data on remaining Scope 1 and 2 emissions in Denmark was collected in 2023. This must be taken into account when interpreting the overall results and changes in the totals for ALDI Nord compared to previous years.
3 Scope 1: emissions from direct energy consumption in buildings, fuel consumption for logistics, and refrigerant losses.
4 Scope 2: emissions from the consumption of electricity and district heating, broken down by location- and market-based emissions.
5 Emission factors for the calculation of emissions from electricity consumption have been updated from CO_2 to CO_2e.
6 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
7 The values for 2021 and 2022 were corrected in comparison to the information published in the previous year's report due to changes in emission factors.
8 Values for France 2021 and 2022 differ from the previous report, as no district heating emission factor was reported for France and corrections to the previous year's data were made.

GRI 305-5

SAVINGS ACHIEVED IN SPECIFIC GHG EMISSIONS

Savings achieved as a total of Scope 1 and 2 emissions as of 2023, compared to Scope 1 and 2 emissions in base year 2020 (in tonnes CO_2e)

We have committed to reducing our greenhouse gas emissions by 55 per cent (Scope 1 and 2) by 2030 compared to 2020. ALDI Nord is thereby clearly committed to the 1.5 degree target of the Paris Climate Agreement and we fulfil the requirements of the Science Based Targets Initiative (SBTi), which we joined in 2020.

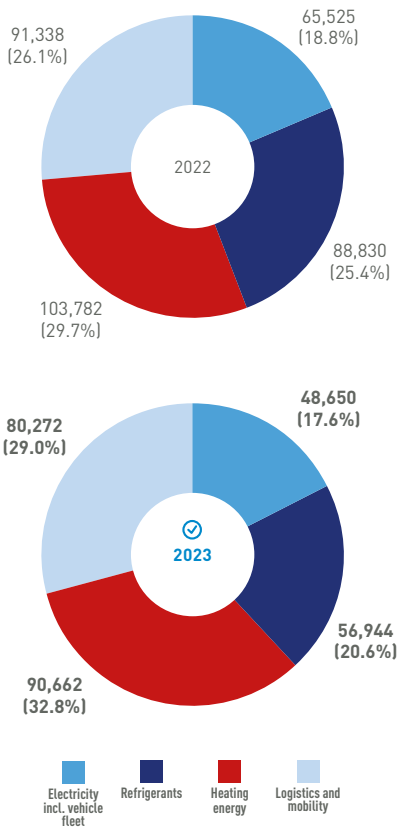
	2020		2023[1]		
	Scope 1	Scope 2 'market-based'	Scope 1	Scope 2 'market-based'	%
ALDI Nord	**252,345**	**200,850[2]**	**207,456**	**68,986**	**–39.0**

1 Due to the end of our business activity in Denmark, no data on remaining Scope 1 and 2 emissions in Denmark was collected in 2023. This must be taken into account when interpreting the overall results and changes in the totals for ALDI Nord compared to previous years.
2 The value for 2020 was corrected by comparison to the information published in the previous year's report due to changes in emission factors

GRI 305-1/2

GREENHOUSE GAS EMISSIONS SCOPE 1 AND 2 BY SOURCE

Total amount of greenhouse gas emissions for Scope 1 and 2 proportionately by source (in tonnes CO_2e and per cent, based on market-based emissions)



Climate scenario screening and climate-risk assessment

In 2023, ALDI Nord assessed its climate-related risks and opportunities in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Internal experts from various departments such as sustainability, procurement, strategy, and building convened in workshops to discuss climate-related risks and opportunities, and they identified associated impacts. We considered consequences for our business operations and our upstream and downstream supply chain that could result from physical changes associated with climate change such as extreme weather events. In addition, we analysed the impact of political, technological, and societal developments associated with a transition to a low-carbon economy.

We applied multiple climate-related scenarios in the course of the assessment. In the physical risk assessment, we used a climate portfolio assessment tool that builds on quantitative climate data from the fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). The tool analyses changing climatic conditions and extreme weather events and summarises hazard exposure in up to three climate scenarios (RCP 2.6, RCP 4.5, and RCP 8.5) over multiple mid-term and long-term timeframes. As recommended by TCFD, our analysis focused on the four-degree scenario to map physical risks on to our operations and value chain. Although ALDI Nord's business is located in regions with mostly moderate impacts, the Mediterranean areas are increasingly exposed to heat stress. The analysed categories were: changing temperatures, drought stress, heavy precipitation, storm and wind, sea level rise, and river flooding. The highest hazards are expected in line with increasing temperatures and river flooding events. These physical hazards could threaten transportation and energy infrastructure, buildings, and people at ALDI Nord's businesses. Locations in Spain, Portugal and the south of France will be most affected by heat and drought in the future. Water scarcity and an increased need for cooling in relation to buildings and products are possible consequences. Our sourcing regions are also considered in the assessment based on tertiary data to indicate ALDI Nord's supply chain resilience. Drought stress and increasing temperatures pose a high level of hazard, as they directly affect cultivation areas and the quality of produce. Risk exposure is expected to increase constantly in line with climate change. The risks identified include, for example, crop failures due to drought and heat, and destruction of infrastructure and cultivation areas due to an increasing frequency and magnitude of natural-hazard events.

The Net Zero Emission scenario (NZE) of the International Energy Agency (IEA) was applied for transitory risks and opportunities. This approach meets TCFD recommendations of applying a well-below 2-degree scenario. It shows a pathway to achieve net zero CO_2e emissions by 2050, mainly driven by energy, innovation, and technological changes. This scenario identified transitory risks and opportunities and associated impacts for our business. The assessment identified transitory risks such as increasing legal regulations and restrictions, and CO_2 pricing, alongside higher demands on energy-efficient buildings, production, and distribution processes. At the same time, changes in customer demand towards more climate friendly products can lead to a competitive advantage provided they are appropriately managed.

Progress and new measures in our stores

GRI 302/3-3, 303/3-3, 305/3-3 Over recent years, we have already implemented a large number of measures in our stores. Details of these are listed above and new measures are added every year to help us achieve our goals.

Many of our stores and distribution centres have photovoltaic (PV) systems. In 2023, these systems had an installed capacity of almost 217,000 kWp, and produced more than 172,500 MWh of electricity – theoretically enough power for 43,125 single-family homes. An average annual consumption of 4,000 kWh per household was used as a basis for the calculation. You can find additional information about the exact status of the individual countries in the sub-section, 'Renewable energy'.

We are continuously replacing our fluorinated-gas (F-gases) refrigerant systems with systems in stores and distribution centres using the natural refrigerants CO_2e or propane. Monitoring systems are also installed to detect leaks and identify

hotspots. This is particularly important for climate protection, as F-gases contribute significantly more to the greenhouse effect in relation to their mass than natural refrigerants. In new buildings, we use heat pumps together with natural refrigerants to create a climate-friendly combined cooling and heating system. For example, at ALDI Belgium and ALDI Luxembourg 4 distribution centres and 93 stores are equipped with cooling systems using natural refrigerants to reduce significantly CO_2e emissions of F-gases.

GRI 302-1

FUEL CONSUMPTION

Fuel consumption of trucks, cars and other vehicles (in litres or kilogrammes of LPG)

	2021			2022			2023[1]		
	Diesel[2] (l)	Petrol (l)	LPG (kg)	Diesel[2] (l)	Petrol (l)	LPG (kg)	Diesel[2] (l)	Petrol (l)	LPG (kg)
Belgium/Luxembourg[3]	4,265,825	–	–	4,022,436[4]	15,137	–	3,771,720	25,490	–
Denmark	1,359,483	3,219	11	1,313,050	1,518	10	–	–	–
France	6,384,557	12,133	11,933	6,765,681	11,850	10,663	5,364,920	70,376	8,667
Germany	16,635,519	1,035	19,194	15,841,748	105,874	18,026	15,240,944	120,194	16,427
Netherlands	3,552,829	123,880	–	3,250,071	200,477	–	2,846,285	366,363	–
Poland	415,431	8,261	n/a	414,531	13,358	–	460,544	2,555	–
Portugal	273,110	–	66	286,754	–	704[4]	275,056	–	1,155
Spain	516,846	–	2,659	498,831	–	2,984	508,637	–	2,495
ALDI Nord	**33,403,599**	**148,527**	**33,863**	**32,393,102**	**348,213**	**32,387**	**28,468,106**	**584,977**	**28,744**

1 Due to the end of our business activity in Denmark, no data on remaining Scope 1 and 2 emissions in Denmark was collected in 2023. This must be taken into account when interpreting the overall results and changes in the totals for ALDI Nord compared to previous years.
2 Including consumption of heating oil for operation of cooling motors (outside Germany).
3 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
4 The value for 2022 was corrected by comparison to the information published in the previous year's report.

At the end of 2022, a project was launched in France to save energy in the stores, and this was rolled out during 2023. The measures included shortening the duration of lighting, regulating temperatures to the minimum permitted values, retrofitting solar panels to existing stores, retrofitting doors to snacking displays, retrofitting LED lighting, and installing heat pumps in stores without these energy-saving features. These initiatives enabled us to reduce our energy consumption by 6 per cent in 2023 compared to 2022 for comparable months.

Biodiversity is becoming increasingly important because it plays a crucial role in maintaining the health and resilience of ecosystems. A growing awareness of environmental issues empowers us to understand the importance of preserving biodiversity to support sustainable business practices and community well-being. Around our ALDI Belgium stores and distribution centres, we prioritise creating space for flower meadows or water catchment basins to encourage biodiversity. We currently have ten stores with diverse flower meadows and water catchment basins. Green roofs on 49 of our stores offer environmental benefits such as carbon dioxide absorption, improved air quality, insulation, and the creation of habitats for wildlife. New ALDI store developments emphasise the use of native plant species and promote water permeability in green areas using methods such as permeable bricks, grass verges, and the creation of temporary watercourses.

Efficient logistics, fleet, and distribution centres

GRI 302/3-3, 305/3-3 We transport millions of euro-pallet spaces between our 61 distribution centres and more than 5,330 stores. Our work is consistently directed towards making this enormous logistics operation more efficient. Given our burgeoning turnovers, we approach this issue from three angles: technology, efficiency, and competence. Modern logistics concepts help us to pool the flow of goods and optimise and shorten transport routes. This reduces the number of journeys required and leads to lower emissions. Low-rolling-resistance tyres and roof spoilers also help reduce fuel consumption. In addition, we ensure that trucks leave our distribution centres with full payloads.

In Europe, we have external logistics consolidation platforms to bundle small order sizes and optimise truck utilisation for inbound transportation to the ALDI distribution centres. In the reporting year, we increased the number of consolidation platforms from 21 to 23.

In Germany, we have successfully integrated ten battery electric trucks (BET) into our fleet. They covered 160,000 kilometres between the middle and end of 2023 with no (net) emissions. This milestone underlines our efforts to reduce our carbon footprint. In countries where we use external transport service providers, we work closely with our partners to make improvements.

From the beginning of 2025, we will be obliged only to purchase new trucks with (net) zero-emission technology for major cities in the Netherlands. Existing vehicles have a transitional period until 1 January 2030. In France, we will switch to biogas in Paris and Montpellier from 2025 and for other cities in subsequent years to meet the requirements of low-emission zones. From 2030, (net) zero-emission zones will apply to all major cities in France.

In France, we are committed to reducing our GHG by 7 per cent within the framework of FRET21 (Freight21) by the end of 2024. In pursuit of this objective, we have undertaken a strategic review of our transport network. This includes optimising the loading capacity of our trucks and revising delivery frequencies to ensure greater efficiency while reducing our carbon footprint.

Aside from emissions, there are other logistics considerations such as the method of goods transportation. Many of our goods are transported on pallets, which can break down over time. In many countries, we work with an external partner to repair broken pallets and return them to the cycle. This reduces the amount of raw materials required to produce new pallets.

ALDI Spain has implemented the 'ROUTYN' tool at some distribution centres to optimise transport routes. This tool has enabled us to reduce the total number of kilometres travelled by our trucks to the stores, thereby cutting fuel consumption, the number of trucks used, and their impact on the environment. Another system has been implemented in Spain to reduce the delivery time to our logistics platforms. The aim is to reduce the waiting time for transporters in our distribution centres, reducing energy consumption in fuel for the trucks and for maintaining the temperature of the refrigerated trucks.

At the end of 2023, ALDI Spain opened a warehouse in Sagunto, and in early 2024, a further warehouse was opened in Miranda de Ebro. Both warehouses are BREEAM certified. BREEAM stands for Building Research Establishment Environmental Assessment Methodology, one of the oldest and most widely recognised international certifications for sustainable building. In addition to ALDI Spain's newly opened warehouses, most of the country's existing distribution centres are also on their way to achieving BREEAM certification. There are also BREEAM-certified distribution centres in other countries such as Belgium.

Renewable energy: more green electricity to reach our goal

GRI 305-5 As mentioned in the section outlining progress in our stores, photovoltaic (PV) systems play a significant role in saving resources and cutting emissions. Across the ALDI Nord Group, we saved around 32,400 tonnes of CO_2e emissions in 2023 by expanding photovoltaic systems in stores and distribution centres compared to sourcing from the grid with the relevant average national electricity mix. 343 new photovoltaic systems were built throughout the Group in the reporting year. These new systems have a total installed capacity of more than 50,900 kWp. All systems taken together enabled us to cover around 6.5 per cent of Group-wide energy consumption from our internal electricity production in the reporting year. Learn more online about the installed capacity of photovoltaic systems in 2023, and the in-house electricity production in 2023.

We currently use approximately 78 per cent of the solar-generated electricity and the remainder is fed into the power grid. Testing continues to assess the effectiveness of storage technology that would enable us to use the generated electricity at a later point in time so as to increase the available energy for internal use.

Even with additional photovoltaic systems, we will still draw most of our electricity from the grid over the coming years. We purchase green energy where possible to make up for the shortfall. In 2023, ALDI Netherlands, ALDI Spain, ALDI Belgium and ALDI Nord Germany purchased electricity from renewable sources. As a result, we saved more than 228,500 tonnes of CO_2e in 2023 across the entire ALDI Nord Group compared to sourcing with the relevant average national electricity mix.

Where possible, new stores are equipped with a PV system, regardless of whether they are owned or rented stores. It is not always possible to install a PV system in every store, particularly when it is part of a larger complex, for example, a shopping centre.

Waste and water in our operating processes

GRI 303/3-3, 303-1/2/5, 306/3-3, 306-1/2 In waste management, we follow the five-step waste hierarchy: prevention, preparing for reuse, recycling, recovery, and disposal. We avoid waste by using long-lasting, reusable systems in logistics such as reusable plastic containers for fruit and vegetables, bread and bakery, or pre-packed meat, and in Germany, the internally developed plastic half pallet (Kunststoff Düsseldorfer Palette or KDP). We also use reusable plastic crates (RPCs) to transport fresh fruit and vegetables. The multiple use of these crates has helped us to save CO_2e emissions across the Group.

We determine which materials can be reused and promote recycling of each waste stream collected separately at ALDI Nord such as cardboard, plastics, wood, metals, and others. Mixed and/or contaminated materials that cannot be recycled mechanically or biologically are sent to waste incineration plants after pre-treatment to generate energy. While optimal product delivery planning and replenishment, and maintenance of the food chain, are important topics in climate and environmental protection, the topic of food waste is dealt with in the Responsible product ranges section.

At ALDI Portugal, we collect and recycle coffee capsules in selected stores. In cooperation with a waste management company, the capsules are sent for recycling, where the plastic or aluminium cases are made into new products, and the grounds are used as compost for agriculture. Customers can return capsules from any manufacturer for recycling – not just those from our private label products.

GRI 306-3

AMOUNT OF WASTE

Amount of waste by type of waste (in tonnes)[1]

The most significant proportion of the waste generated was attributable to paper, board, and carton. Hazardous waste, amounting to 485 tonnes, only made up 0.1 per cent of the total volume of waste. This includes used oil, oil filters, vehicle batteries and fluorescent tubes which contain mercury.

	2021	2022	2023[2,3]							
	Total	Total	Total amount of waste	Hazardous waste	Paper/ board/ carton	Mixed municipal waste	Other commercial waste[4]	Used appliances	Plastic waste	Used batteries from households
Belgium/Luxembourg[5]	33,415	36,480	41,644	101	28,961	2,998	8,517	–	1,067	–
Denmark[6]	8,797	10,420	–	–	–	–	–	–	–	–
France	47,048	47,195	44,922	97	34,024	3,524	4,417	33	2,784	43
Germany	215,096	214,891	210,657	157	112,355	15,557	53,845	66	27,746	931
Netherlands	39,084	44,525	41,430	113	20,439	6,457	10,889	10	3,461	61
Poland	13,753	13,091	15,898	6	8,742	1,627	4,925	19	568	11
Portugal	6,051	6,224	8,938	11	5,230	450	503	13	2,723	8
Spain	17,998	19,648	20,916	–	16,460	1,646	1,886	51	873	–
ALDI Nord	**381,241**	**392,472**	**384,405**	**485**	**226,211**	**32,259**	**84,982**	**192**	**39,222**	**1,054**

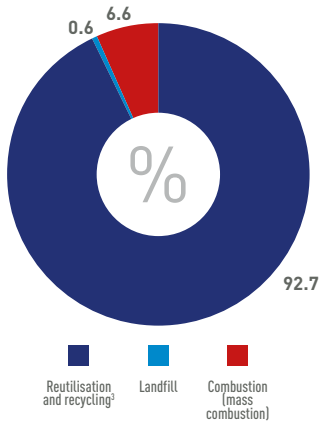
1 The data are partly based on estimates and extrapolations.
2 The allocation of waste is not always clearly defined and the quantities of the categories can therefore fluctuate annually.
3 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
4 Other commercial waste. This includes food waste, bulky waste, and metal scrap.
5 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
6 Data only include stores and logistic, excluding administrative, buildings.

GRI 306-3

AMOUNTS OF WASTE BY METHODS OF DISPOSAL

Amounts of waste in Germany proportionately by the type of disposal (in per cent)[1,2]

At roughly 92 per cent, most non-hazardous waste was recovered or recycled (including composting) in 2022.



1 Allocation to types of disposal is based partly on estimates.
2 The scope of data is to be expanded and internationalised depending on availability in the years ahead.
3 Including incineration for energy recovery.

The operation of an ALDI store generally requires less water each year than an average four-person household. In 2023, we used approximately 1,198,000 cubic metres of water throughout ALDI Nord, with almost 995,000 cubic metres used in our stores. We use efficient engineering to save water. For example, self-cleaning ovens (bake-off) are used in most ALDI countries as they can be cleaned without water. We also use water-saving equipment with efficient dispensing technology and biodegradable cleaning agents to reduce wastewater contamination. In Belgium and Luxembourg, we have a rainwater harvesting system in new stores that uses rainwater to flush toilets, saving around 40 per cent of the annual fresh water used for toilet flushing. In 2023, this system was implemented in 86 stores.

GRI 303-5

WATER CONSUMPTION

Water consumption (in cubic metres)[1]

	2021	2022	2023[2]
Belgium/Luxembourg[3]	61,101	58,173	63,928
Denmark	16,729	16,891	–
France	282,930	330,417[4,5]	328,825
Germany	253,060	263,313	257,776
Netherlands	59,287	60,219	56,845
Poland	27,886	117,401[4]	148,356
Portugal	93,003	113,026	154,155
Spain	152,139	171,340	188,398
ALDI Nord	**946,135**	**1,130,781**	**1,198,282**

1 The data are partly based on estimates and extrapolations.
2 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
3 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
4 For France and Poland 2022: Due to the strong growth in the number of stores in France and Poland, water consumption has also risen significantly.
5 The value for 2022 was corrected by comparison to the information published in the previous year's report.

Managing water consumption in our operating processes is vital to our environmental protection measures. The National Water Protection Policy was published in Germany in March 2019 and we stipulated binding measures for the responsible handling of water in food and textile supply chains and targets for corporate water management. Further objectives specify the reduction of microplastics entering the environment. The national policy was updated in 2021. We are drawing up approaches and measures for the other countries.

Learn more about our goals in the CR Agenda.



EMPLOYEES & COMMUNITY

SUCCESS BASED ON MUTUAL RESPECT

The performance and commitment of ALDI employees are at the heart of our success. The modernisation of the HR processes is a significant part of the goals of motivating and supporting the hard-working teams.



"For many years, we have been collaborating with the Spanish Paralympic Committee to nourish bodies, dreams, and aspirations. 2023 was a particularly important year due to preparations for the Paralympic Games in 2024.

Our goal is to promote a healthy lifestyle and provide our athletes with the necessary support, including personalised diets and nutritional programmes, to drive their careers towards success.

This collaboration exemplifies ALDI's commitment to promoting the importance of nutrition in sports performance and fostering a healthy and self-aware lifestyle among our customers."

SILVIA SEGARRA
Director Internal & External Communication, ALDI Spain

ALDI POLAND

15TH
ANNIVERSARY

We decided to celebrate the 15th anniversary of ALDI Poland in 2023 by holding a charity challenge in September and October. The aim is to make donations of PLN 15,000 to two charities. Our employees from different departments came together and chose two organisations: the Society for the Care of Animals in Poland and the Iskierka Foundation childhood cancer charity. The task for our employees was to participate in a joint photo bank where teams had to submit a photo around the theme '15'. This counted as a contribution to the company's fundraising efforts. The charity challenge was a resounding success with the fundraising target being met and an enhanced sense of togetherness among our employees.

ALDI Netherlands

2,700
CHILDREN REACHED

In 2023, the 'Groenteboxjes' (vegetable boxes) programme reached another 2,700 children in the Limburg province. The programme encourages children to eat vegetables on a daily basis by supporting them with entertaining, educational materials and rewarding them for trying out vegetables.



"We need to consistently develop our employees to meet the demands of our customers and get ahead of the competition. In discount retail, this means focusing on the HR essentials reflected in our people strategy 'People Centric – Discount Driven'. In 2023, we developed measures including a Leadership Development Programme and a concept for onboarding stores specifically for our employees in sales. Both of these have now been implemented in the ALDI countries."

PHILIPP ASCHMANN
Managing Director, People & Culture, ALDI Einkauf SE & Co. oHG

"Our new employer brand 'more than you expect' is actually what our employees think of ALDI and this is the result of a long trajectory of interviewing many employees. We want to touch people's hearts: We don't want to have to convince people to choose ALDI, rather we want to reach them by touch-tell-sell."

SANDER VAN SCHIE
Director Employee Lifecycle, ALDI Netherlands





ATTRACTIVE EMPLOYER

GRI 404/3-3, 405/3-3 ALDI Nord is a leading retailer of essential groceries and basic goods for millions of people across our countries. Everything we do exerts an impact on our customers, our partners, and our competitors. None of this would be possible without our colleagues, who are the foundation of our success. Nevertheless, ALDI Nord is confronted by challenges such as high demand for new employees in a competitive employment market. We want to encourage all 87,892 ALDI employees to approach their work with engagement and commitment. This requires continuous investment in our people and culture. With this in mind, the strategic decision was taken to create a People Strategy Roadmap aligning all related activities across the countries where ALDI Nord operates.

Although the difficulties we encounter are similar in all countries, we have a range of individual HR solutions throughout the ALDI Nord Group. This concerns primarily employee attraction and recruiting, training, onboarding, and leadership and organisational development in the countries.

In order to stay competitiv in the market, we need standardised solutions across all countries to use budgets and resources efficiently and effectively. This is the focus of our People Strategy and a supporting roadmap that consists of several measures for adhering to our true discount approach by providing Group-wide solutions clearly oriented to our business objective.

OUR APPROACH

GRI 2-23, 2-7, 404/3-3, 405/3-3 The future development of our organisation relies on skilled, motivated, and committed employees supported by a positive corporate and leadership culture. Our workforce of 87,892 ALDI employees has always been an essential pillar for the success of the ALDI companies. From attraction and recruitment to onboarding, performance management and career development through to leaving the company, the guiding principle of People & Culture is to act in a people-centric and discount-driven manner. We understand people-centric as the effort to create an environment that enables employees to realise their full potential, while contributing to our shared objectives and ambition. Meanwhile, acting discount-driven entails personnel and organisational topics always adhering to our discount business model, incorporating lean standardised solutions wherever possible, and providing scope for national adaptions where required. This approach is being followed in all ALDI countries.

Small working groups made up of colleagues from our sales and supply chain departments work together to develop the operational concepts and measures inherent in the international People Roadmap. This method creates standardised solutions to meet the needs of our employees in all countries, and fulfils the requirements of the national service companies and regional companies.

Consistency is a key goal of our People Strategy Roadmap. Many of the topics are already part of the daily work of People & Culture such as identifying and hiring top talent, successful employee onboarding, optimising employee development, and improving employee retention. We aim to manage our core HR processes efficiently and to a uniform, professional standard. Our aim is to be regarded as a reliable employer with a consistent, modern leadership culture, and a healthy working environment. Furthermore, International People & Culture will increasingly focus on its role as a reliable service provider for the countries.

The guiding principles for all activities on the People Roadmap are our values. We continue to refine our ALDI Nord values and bring them into today's world. Our values – simple, responsible, and reliable – are widely recognised within ALDI Nord. We have clarified these values, enriched them with additional descriptions, and put them

GRI 405-1

EMPLOYEES BY JOB CATEGORY

Number of ALDI employees by field of work and gender on the reference date 31 December (headcount)

	2021		2022		2023[1,2]	
	ALDI Nord	thereof female	ALDI Nord	thereof female	ALDI Nord	thereof female
Sales	69,160	50,672	72,811	53,134	70,042	51,394
Warehouse	6,857	1,591	7,696	1,747	7,100	1,801
Vehicle fleet	2,743	71	2,685	105	2,380	67
Office	5,221	3,592	5,742	3,831	5,539	3,752
Upper management[3]	876	277	821	262	716	225
Lower management[4]	1,866	677	1,851	667	1,899	688
Other[5]	172	64	193	78	216	77
ALDI Nord	**86,895**	**56,944**	**91,799**	**59,824**	**87,892**	**58,004**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 Due to a change in the corporate structure, some values have changed in scope.
3 This category includes business unit director and director.
4 This category includes for regional departments: regional sales manager. For holding: team leader.
5 This category also includes employees released for works councils and maintenance staff.

into practice in management and cooperation. This step emphasises the importance of our values and provides better guidance on how to act in accordance with these values. Ultimately, this should lead to a common understanding of how we work at ALDI Nord across all levels, departments, and countries.

ORGANISATION

GRI 405/3-3, 407/3-3 Freedom of association is comprehensively safeguarded at the locations of ALDI Nord. Each of the 25 German regional companies was represented by their works council in 2023. In France, all 13 regional companies are represented by works councils, as are some of the 16 distribution centres and the administration office. These also exist in seven regional companies in Belgium. In view of the increasing number of stores and employees in Spain, the national trade unions wish to be represented in each of the Spanish ALDI companies. There are currently eight works councils with almost 105 members and 12 delegates.

The central works council in the Netherlands started up in 2021. All ALDI companies in the Netherlands are represented in this works council. The six regional companies continue to have their own regional works councils, which are responsible for specific regional cases. The social plans introduced in the Netherlands in 2021 are still running. The first will expire at the end of 2024.

In the ALDI countries, dialogue with employee representatives takes place through works councils or directly with the relevant trade unions.

PROGRESS & MEASURES 2023

Employer branding and recruitment: finding the right talent for vacant job positions

GRI 404/3-3 Our international employer brand is intended to give applicants authentic insights into work at ALDI Nord, and ensure the fit is right in terms of the applicant's skills and the corporate culture. We run recruiting campaigns in all ALDI countries to draw attention to vacant positions and career opportunities. One example of this is a recruiting campaign from ALDI Netherlands with the title 'Work at ALDI. More than you expect.' (Werken bij ALDI. Meer dan je denkt), which aims to increase awareness of ALDI as an employer in the Netherlands. ALDI Spain appointed a number of employees as brand ambassadors. They share their daily life at ALDI on social media to attract new talent and promote ALDI as an attractive employer.

In 2023, an international employer brand survey was designed to enable data-driven assessments of candidates' priorities when choosing an employer. The survey was conducted in all countries during October 2023, and the results will be used for strategic optimisation of the employer brand in 2024. We hope to deploy these results to make employer branding measures even more specific and effective for particular target groups.

Since 2023, ALDI France has been offering master's students the opportunity to train as District Sales Managers as part of the 24-month 'Pépinière RS' training programme. Currently, six master's students have been recruited and up to 24 new master's students will be recruited in September 2024. This popular programme helps us find and develop talented people for ALDI Nord.

The target group-specific recruiting and employer branding measures were expanded for the new ALDI Technology Hub in Krakow, Poland. We have hired 200 people, and many more have been approached through online advertising, tram advertising, events, and communication on LinkedIn. The ALDI Technology Hub was founded to drive the digitalisation trajectory at ALDI Nord, provide support for ALDI Einkauf in Essen, and increase the potential for attracting new employees in the labour market.

Bilateral internal communication: providing updates and motivation, and receiving feedback

Internal communication is the key to strengthening employees' identification with ALDI Nord and sharing experiences. We use various formats for internal communication, including town hall meetings, newsletters, and an interactive internal employee app.

Town hall meetings serve as a dialogue and information platform, primarily for ALDI employees in administrative offices. These meetings have been adopted by all ALDI countries at the national level. For instance, eight town hall meetings were organised in Belgium in 2023 to inform colleagues about the latest projects and provide updates. In the Netherlands, town hall meetings are held every two months for employees to the level of regional sales managers. Regular newsletters inform leading employees from Team Lead level upwards in all ALDI countries about international and national projects, milestones, progress, and other relevant news. A weekly meeting for store and warehouse employees is held at ALDI Belgium to discuss the company's goals, in addition to a weekly newsletter for store employees and a fortnightly newsletter for warehouse staff. On a national level, the ALDI countries use further individual formats to inform their employees of news, store openings, new products, and upcoming events. For example, ALDI Spain uses an internal public board called El Muro (The Wall). ALDI Netherlands sends a monthly newsletter (Winkelnieuws) to all store employees. In Portugal, all ALDI employees receive monthly newsletters, and in France, the head office prints and distributes a monthly poster to all stores.

The internal employee app is available as a country-specific version in all ALDI countries. It informs employees about changes and news that affect employees' lives. For example, HR or company updates, product tests, sustainability, and other news relating to ALDI Nord are published. Furthermore, ALDI employees can share their content (including team-building activities) on the social wall, comment on updates, and chat with each other. The internal employee app in the

Netherlands is also often used for gamification. The company in the Netherlands organised an ALDI history quiz to celebrate ALDI's 50th anniversary in the Netherlands. This resulted in large participation and engagement among colleagues. Since 2023, the Netherlands has also had a budget for team-building activities at all team levels. This money is usually spent on social events, sometimes in combination with a collaborative activity.

Employee engagement initiatives: football tournaments at ALDI Netherlands

A football competition was organised among colleagues in the Netherlands – ALDI FC. Over 900 employees participated in the seven regional tournaments with a final event featuring the best-performing teams. This popular initiative fostered a sense of togetherness, and the final between ALDI Roermond and ALDI Culemborg was played in June. The recap video can be watched here.

Networking for career development of young professionals

The 'ALDI Next' network for young professionals founded by ALDI Netherlands also organised various events in 2023, including a visit to the supplier Swinkels, a summer event ALDI Next Olympiad, and a visit to ALDI Nord Campus and the Oktoberfest in Essen, Germany.

Further events focused on topics such as knowledge-sharing, networking, and job satisfaction. The aim was to inspire, connect, and develop employees.

Change Management: harmonisation and activating agents of change

ALDI Nord started implementing a change management standard with a project team including employees from all countries. The goal is to qualify the change management network according to the ALDI Nord Change Management Standard in all ALDI countries and increase the success of upcoming organisational changes. The development of a change management network from the national holdings to the stores is involved in all major change initiatives. It exerts a significant impact on employee acceptance and understanding of the forthcoming organisational changes – and on the individual performance of each employee.

In addition, the new Change Management and Culture Team was established within the People & Culture department at ALDI Netherlands in 2023. They have the role of change agents at national level and accompany the change process for employees in important projects. At ALDI Belgium, the national change team consists of four people: two change agents and two communication colleagues. The team has been active since 2021, and is involved in the change process of the most important projects and pilots. They have also been the driving force behind store teamboards, the communication cascade to our employees in stores and warehouses, and the town halls in order to create a more transparent communication culture.

From survey to action: measures to increase employee satisfaction

GRI 404/3-3 A priority for a people-centric, discount-driven approach is collecting feedback from our employees that leverages organisational development to create a better work experience.

ALDI Spain, ALDI Portugal, ALDI France, ALDI Netherlands, and ALDI Poland each conducted an employee survey in 2022 based on a programme from ALDI Einkauf in Germany. The German employee survey follows a two-year cycle and was conducted by ALDI Einkauf and ALDI Nord Germany at the beginning of 2023. ALDI Belgium and ALDI Luxembourg also conducted an employee survey.

In most countries, the results of the employee surveys were analysed to identify strengths and challenges, derive measures to foster these strengths, and address challenges. These measures are currently being implemented. The next employee survey is scheduled to take place at the beginning of 2025 for all countries to ensure a standardised approach in relation to global measures.

ALDI Poland developed an action plan for 2022 based on the international employee survey results. The main activities include reviewing core and related procedures for simplicity and clarity, assessing responsibilities in the processes, and implementing a referral programme – 'Working at ALDI? I recommend it!' – which resulted in 85 new hires in 2023. Further measures included the launch of the ALDI4Excellence training programme to promote entrepreneurial thinking, and a review of the recruitment process and prioritisation of internal recruitment. ALDI Poland also introduced the 'Communication – a simple thing' project to establish principles of simplicity in our organisation, and in our communication with customers and candidates. ALDI Poland also offers internal training in the use of simple language.

Following on from the employee survey, workshops were held at ALDI Nord Germany in all management areas such as human resources, supply chain management, communications, etc. These workshops resulted in the formation of working groups consisting of managers and employees to develop individual topics such as improving processes and communication. ALDI Belgium's employee survey revealed that our strengths as an employer lie in the excellent reputation of the company, positive employee collaboration, and employees' satisfaction with their job activities. The company continues to focus on its commitment to employees' physical and mental well-being, individually and as a team.

Beyond the international employee survey, ALDI countries have been working on various additional measures. Since 2023, ALDI Spain has also been promoting the Pulse Clima tool, which analyses the working environment at each of the stores in Spain in real-time on a monthly basis. The tool uses exit and employee surveys in the stores and People & Culture indicators. Since 2023, ALDI Portugal has focused on implementation of onboarding and offboarding surveys to identify and monitor

the organisation's climate and further develop retention measures. In 2022, ALDI Netherlands was certified as a Top Employer by the Top Employers' Institute, and began using this award in employer branding communications for the first time in 2023. After completion of another extensive survey and audit in 2023, we were informed in early 2024 that the title Top Employer had been extended, enabling ALDI Netherlands to advertise itself as a Top Employer again in the same year. Additionally, ALDI Netherlands has introduced monthly exit and entry surveys as part of its listening strategy. A comprehensive employee survey was carried out in 2024. ALDI France held the inaugural 'Grande Réunion Vente' (GRV), a national sales meeting in Villepinte, in 2023. This meeting brought together all sales and district managers to discuss regional sales figures and projects. From 2024, the format will be replicated for the logistics and human resources departments. The aim of these annual meetings in the national offices is to improve cooperation and insight into the organisation. As part of the induction process, new employees at head office are also encouraged to visit the stores and warehouses to get to know the company and the reality of work on the ground.

People & Leadership development: employee dialogues and learning opportunities

GRI 404/3-3, 404-2

Employee dialogues and talent pools to foster international career development

Following the introduction of the employee dialogue as an international format at ALDI Nord in 2021, it has been used for all employees at ALDI Einkauf and in the service companies. Employee dialogues are also used in regional companies for managers and up to the level of district sales managers.

Structured employee dialogues help to identify employees' competencies, development goals, and needs. This facilitates objective decision-making to select employees for talent pools and programmes on the basis of the specific country requirements and needs. Talent pools and programmes have been implemented in Poland, Spain, Germany, France and ALDI Einkauf's International Services, and there are plans to expand them. In addition, the first international talent pool was launched as a pilot programme in 2022. Employees from Germany, the Netherlands, Poland, Spain, and ALDI Einkauf's International Services have participated in various career development measures. The pilot phase ended successfully in 2023, and the insights gained from the talent graduates at the closing event are now being incorporated into the strategic direction of talent management for ALDI Nord.

Learning opportunities for employee career development

Systematic training and development are key elements for ensuring the ongoing success of ALDI Nord. We continue to provide leadership training and programmes to promote situational leadership and employee engagement.

Work is proceeding on the provision of learning opportunities for all target groups across all countries, focusing on leadership, professional, and functional skill development. This is being offered in various formats, for example, on-site and virtual training courses, as well as e-learning modules. GoFluent has been established as a digital platform for language training in all countries. At ALDI Spain and ALDI Netherlands, learning plans for all sales and logistics employees have been created, focused on learning paths that combine varied learning opportunities.

The learning platform Percipio (SkillSoft) was rolled out to most countries. It provides flexible access to learning content on topics such as IT, Leadership, and Business Skills. Curated learning pathways support the improvement of generic and functional skills following a self-driven learning approach. For example, ALDI Belgium and ALDI Netherlands made the e-learning tool 'Goodhabits' available to all employees with a corporate email address. In addition, ALDI Belgium is developing a national training and development plan with target group-specific training opportunities to cover as many (functional) needs as possible. Another learning management and learning experience platform is currently being tested. This new platform will allow us to offer training to all target groups in our organisation. It also supports efficient and effective training administration and reporting. Employees in our stores will also be able to benefit from e-Learning.

Leadership development to increase employee engagement

The POWER to Lead leadership programme was created in 2023 to develop our international leadership team at ALDI Einkauf and to ensure that all leaders have a common understanding of ALDI Nord's values, related leadership behaviour, and collaboration.

In France, the first leadership programme aims to develop the leadership skills of 1,800 managers. Additionally, a national training programme dealing with customer conflicts for all store employees has been launched. The aim is to anticipate and avoid conflict situations in stores. After the success of the first Leadership Conference in 2022, the second ALDI Einkauf Leadership Conference for International Services took place in April 2023. All executives of International Services gathered for a two-day conference to strengthen their roles as leaders – an important milestone in the development of our organisation. The two-day conference with keynotes, discussions, and working sessions brought new structures and processes to life and integrated the new leadership roles of Team Leads and Leading Experts into the existing leadership approach. A primary goal was to settle Team Leads and Leading Experts into their new roles and to establish them as fully fledged disciplinary and operational leaders of their teams. The conference participants gained an understanding of the ALDI Nord leadership approach, what is expected of them in their role, and established a networking environment. ALDI Belgium organises an annual directors' meeting. The theme in 2023 was 'ALDI #True Discount', a reminder of our history as the creator of the discount

format, and the importance of constant adaptation and improvement. At this meeting, strategic directions were discussed, and the results were summarised. Meaningful experiences and insights were exchanged. In addition, a nationwide training programme on conflict prevention was introduced in Belgium for a number of store managers and employees.

Getting new employees up to speed with professional onboarding

Understanding internal processes is an essential part of professional onboarding programmes. All employees must know and understand the core business, including its processes. The ALDI POWER Days established a uniform, simplified and in-person onboarding event for all new colleagues working in International Services at ALDI Einkauf in Essen. The practical training in stores is part of an extended onboarding programme and forms the basis for employees to develop more customised ALDI solutions and concepts over the long term.

ALDI Nord expanded a concept called Onboarding POWER – to help executives onboard new team members during their first six months at ALDI Nord – in additional countries in 2023. This concept aims to smooth the process and communicate essential skills and requirements transparently. The Onboarding POWER concept is aimed at all employees in ALDI Einkauf, as well as executives in the regional companies up to the level of district sales managers. The concept lays the groundwork for the annual employee dialogue, which was introduced in 2021 as a basis for structured feedback discussions at ALDI Nord.

The onboarding concept has also been implemented in the Polish national holding, and for the employees of the Polish regional companies. The onboarding process at ALDI Netherlands is already fully digitalised, enabling a secure and paperless process, as well as progression and quality control. ALDI Spain has an onboarding programme for all new employees with Power Days where managers give presentations. New employees are also required to work in a store for between two and five days depending on their new role. At ALDI Portugal, all new employees in the head office, the warehouse, and the sales department also receive onboarding training. ALDI France has created a three-step onboarding plan consisting of a welcome week, a monthly onboarding day, and a monthly department and division tour. In addition, ALDI France has over 200 onboarding stores across the country with a structured onboarding and training process for new sales employees. To date, more than 800 new store employees have been trained using this new process. ALDI Belgium has individually tailored onboarding programmes for logistics employees based on coaching and feedback with the support of a mentor who accompanies the new employee. The sales onboarding programme includes a two-week training course at the head office before going to the store. In the future, the onboarding programme for office-based employees will also be reviewed, and aligned with the international onboarding concept.

Vocational training: market-oriented apprenticeships and trainee programmes

GRI 404/3-3, 404-1,-2 Traditional training options are provided in Germany, France, and the Netherlands. In 2023, the number of apprentices (for definition, see indicator) throughout the ALDI companies stood at around 2,752 with about 2,196 in Germany. The regional companies in Germany remain one of the largest apprenticeship providers in the German retail trade. In the period from 2023 to 2024, ALDI France advertised 415 apprenticeships, and a training programme was proposed to each ALDI employee responsible for supervising the apprentices. In addition, the District Sales Manager Graduate Programme for apprentices was introduced in ALDI France. ALDI Nord Germany offers opportunities for twin-track degrees. In 2023, there were 164 twin-track students compared to 168 in 2022. ALDI Netherlands provides in-house vocational training to current employees, leading to a degree in retail or logistics. In October 2023, 140 employees embarked on this programme. We have also invested in our relationships with educational institutions such as universities. There was also a national graduation ceremony for ALDI Netherlands graduates, who were invited to the Dutch Open Air Museum in Arnhem with their families.

Promoting diversity and equality: ALDI Nord's commitment

GRI 405-1, 405/3-3 People from 138 nations work in the eight European countries where the ALDI companies operate. All ALDI employees have the same opportunities, irrespective of gender, age, religious affiliation or world view, gender identity and sexual orientation, origin, or physical impairment.

In 2023, women accounted for around 65.9 per cent of the total workforce (2022: 65.1 per cent). The proportion of female employees in management positions was 34 per cent in the reporting year (2022: 34 per cent), and women manage about half of our stores.

Each year, ALDI France calculates the index of professional equality, which aims to prevent inequalities between men and women. It assesses five standards each year including pay inequality, individual promotion opportunities, and access to promotion. In some cases, no specific plan is required, while targets are set in other situations to track progress or take corrective action.

Ensuring attractive and flexible working conditions for all ALDI employees

GRI 2-7, 2-30, 407/3-3 ALDI Nord promotes equal opportunities through a wide range of job profiles. These are based on our ALDI Nord competency model, which applies to all ALDI employees and describes our most important competencies. We also offer development opportunities for entry-level and management-level employees and attractive working-time models. Work-life balance is a key future issue for the ALDI companies, and we already offer some 55,390 opportunities for part-time employment and remote working. We pursued the expansion of these opportunities in 2023.

GRI 404-1

APPRENTICES AND TWIN-TRACK DEGREE STUDENTS

Number of apprentices and twin-track degree students on the reference date 31 December

The vocational training model based on the German pattern is not used in all countries, and the data on the number of apprentices are therefore restricted to Germany and France. The system used in Spain is currently not included in recording the performance indicators because the vocational training models are not identical. In Germany, a twin-track work/study degree course with in-service training is also offered.

	2021		2022		2023[1,2]	
	Apprentices	Twin-track students	Apprentices	Twin-track students	Apprentices	Twin-track students
Belgium/Luxembourg[3]	–	–	3	–	–	–
Denmark	50	–	–[4]	–[4]	–	–
France	285	2	410	–	415	–
Germany	1,565	159	1,900	168	2,196	164
Netherlands	119	–	159	–	137	–
Poland	–	–	31	–	–	–
Portugal	–	–	0	–	–	–
Spain	10	1	4	3	6	4
ALDI Nord	**2,029**	**162**	**2,507**	**171**	**2,754**	**168**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 Due to a change in the corporate structure, some values have changed in scope
3 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
4 Data for ALDI Denmark were not available as a decision was taken to withdraw from the Danish market at the end of 2022

GRI 405-1

WOMEN IN MANAGEMENT POSITIONS

Proportion of female ALDI employees in management positions on the reference date 31 December (in per cent)

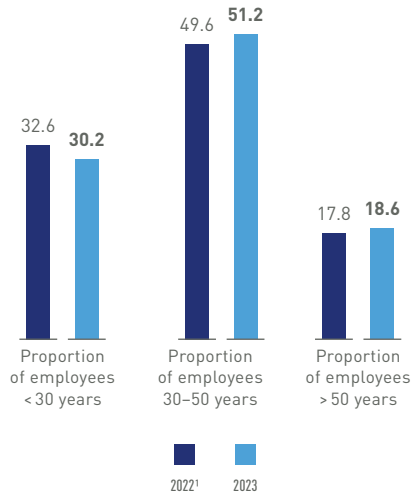
	2021	2022	2023[1,2]
Belgium/Luxembourg[3]	37.1	36.9	35.6
Denmark	32.9	36.0	–
France	35.6	37.1	36.8
Germany	30.8	30.2	29.9
Netherlands	27.7	25.0	27.7
Poland	33.6	32.7	36.9
Portugal	41.2	40.2	43.8
Spain	41.0	41.5	40.5
ALDI Nord	**33.9**	**34.0**	**34.1**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 Due to a change in the corporate structure, some values have changed in scope.
3 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').

GRI 405-1

EMPLOYEES BY AGE GROUP

Proportion of ALDI employees by age group on the reference date 31 December (in per cent)



1 The values for 2022 were corrected by comparison to the information published in the previous year's report.

Part-time and remote working are handled individually in the countries. At ALDI Einkauf, we offer 40 per cent mobile working per month, with 60 per cent of the working hours at the ALDI Nord Campus in Essen. ALDI Netherlands offers remote working for location-independent and mobile jobs. At ALDI Spain, part-time work between 50 per cent and 75 per cent is available for warehouse and logistics staff and 30 per cent remote work for almost all positions in the corporate and regional units. There are currently 632 part-time employees in ALDI Poland, and 568 employees in a hybrid system that offers office workers two days of working from home per week. In France, ALDI offers up to two days a week of remote working for headquarters employees. They also have 4,829 part-time jobs. ALDI Belgium now also allows employees to work at home two days each week. In addition, there are currently 5,151 part-time employees in Belgium.

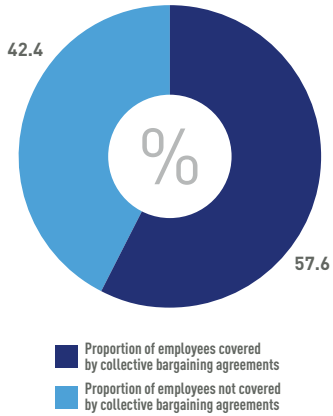
In the ALDI countries, wages of tariff employees are adjusted on the basis of collective labour agreements. While some countries have already implemented wage adjustments during the reporting period, others are waiting for the collective labour agreement to be concluded so that they can also adjust their wages.

In addition to the collective-agreement adjustments, there are other benefits to improve working conditions in the ALDI countries. For example, ALDI Netherlands offers an increased travel allowance and higher pay for working from home as a response to inflation and rising

GRI 2-30

EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

Proportion of ALDI employees covered by collective bargaining agreements on the reference date 31 December (in per cent)[1]



1 New assessment of the calculation for proportion of non-managerial employees covered by collective bargaining agreements (Currently, the questionnaire states the proportion of non-managerial employees covered by collective bargaining agreements. In the aggregation at country level, there is no weighting of the KGs or countries, all information is included in the calculation in equal parts).

petrol prices. ALDI Spain introduced a flexible remuneration system in the last quarter of 2023 to improve employee benefits. These include tax benefits for transport, restaurants, and childcare. Employees of ALDI France have benefited from a flexible remuneration system since October 2023, which includes multi-skilling and profit-sharing bonuses. ALDI Nord Germany covers the cost of a regional public transport ticket – the 'Deutschlandticket' – for its employees. Alongside voluntary life insurance coverage, ALDI Poland provides employees with an ALDI monthly prepaid card, exclusively for use in ALDI Poland stores. Employees in Poland also receive a Medicover card that offers two different services: Medicover Sport allows employees to use sports facilities by registering on an app, and Medicover Health offers additional health-care services.

Extensive measures to improve the health, safety, and well-being of our employees

GRI 403/3-3, 403-1,-2,-3,-6,-7 Taking responsibility for the well-being of employees is part of the ethos of the ALDI companies. We focus on occupational health and safety measures, preventive health measures, fair pay, employment contract conditions, and equal opportunities for all employees.

The ALDI companies continued to promote preventive health measures such as discounted group health insurance (ALDI Netherlands, ALDI Portugal, and ALDI Spain) and partnerships with fitness studios or company runs (ALDI Poland, ALDI Nord Germany, ALDI Netherlands). In addition, ALDI Spain provides free, anonymous, and confidential psychosocial counselling and support services. Various health-related activities were organised for employees at the ALDI Nord Campus in Essen such as a blood donation day, two health days, and an extended training programme in the sports pavilion. In addition, eye tests and flu vaccinations were offered to employees at the ALDI Nord Campus. Since July, ALDI Netherlands has offered a tax-privileged selection of more than 3,500 sports activities such as gyms, boot camps, yoga, swimming, CrossFit, and more.

The ALDI companies carry out regular inspections at workplaces to identify potential hazards at an early stage. Occupational health is particularly important in areas such as logistics and sales, where around 90 per cent of ALDI employees work, as there is an increased risk of accidents. ALDI employees in retail stores and distribution centres are provided with appropriate work clothes and technical equipment as part of our occupational health and safety measures (see also Sustainability Report 2021). Training courses are held in most countries – monitored by the regional companies.

In addition, there are further measures in the ALDI countries to improve the health and well-being of our employees. In the Netherlands, for example, members of the occupational health and safety organisation must complete mandatory annual occupational health and safety training. ALDI Netherlands is upgrading its occupational health and safety organisation by implementing certification in all its companies, and a training course was introduced for managers to discuss frequent absenteeism.

At ALDI Belgium, all managers are trained in our attendance policy. The attendance policy outlines the conversations managers should have with employees who are (or have been) ill. These include sickness reporting interviews, contact interviews during illness, return-to-work interviews, and attendance interviews for frequent absenteeism. During the training, these discussions were practised using case studies. Furthermore, from

December 2023, every regional and national headquarters will have a professionally trained internal liaison officer. Employees can turn to them for help with psychosocial issues at work (conflicts, bullying, violence, unwanted sexual behaviour, burnout, and mental well-being).

Every employee at ALDI Poland can choose from a wide range of private health-care packages at an affordable cost. Psychological counselling is also offered in the form of three meetings with specialists.

GRI 403-9

LOST DAY RATE

Lost day rate (paid sick leave) (in per cent)

	2021	2022	2023[1]
Belgium/Luxembourg[2]	3.7	3.4	3.5
Denmark	2.7	1.8	–
France	7.0	7.6	8.3
Germany	5.0	6.2	5.5
Netherlands	6.0	5.0	7.2
Poland	8.0	4.0	4.9
Portugal[3]	n/a	n/a	n/a
Spain	5.8	7.2	8.4
ALDI Nord	**4.8**	**4.4**	**5.1**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 No paid sick leave in Portugal (n/a = not available).

GRI 2-7, 405-1

EMPLOYEES BY EMPLOYMENT CONTRACT

Proportion of ALDI employees by employment contract and gender on the reference date 31 December (in per cent)

	2021				2022				2023[1]			
	Fixed term	thereof female	Perma-nent	thereof female	Fixed term	thereof female	Perma-nent	thereof female	Fixed term	thereof female	Perma-nent	thereof female
Belgium/Luxembourg[2]	11.1	59.0	88.9	72.9	5.9	53.7	94.1	72.7	6.4	48.7	93.6	72.5
Denmark	16.5	16.1	83.5	53.8	16.1[3]	16.2[3]	83.9[3]	53.2[3]	–	–	–	–
France	11.7	65.0	88.3	60.9	12.4	62.0	87.6	62.4	5.3	55.0	94.7	62.3
Germany	17.3	57.5	82.7	69.8	17.0	57.8	83.0	70.0	11.8	53.8	88.2	67.9
Netherlands	35.8	55.9	64.2	61.1	42.7	54.4	57.3	60.9	42.9	53.7	57.1	59.9
Poland	46.1	80.9	53.9	82.1	44.5	77.1	55.5	82.1	28.6	84.2	71.4	82.2
Portugal	44.3	63.3	55.7	69.1	47.6	62.4	52.4	66.7	36.1	62.7	63.9	65.5
Spain	5.7	69.6	94.3	65.0	3.2	79.2	96.8[4]	66.5[4]	2.3	80.5	97.7	67.5
ALDI Nord	**18.8**	**60.0**	**81.2**	**66.9**	**19.6**	**59.4**	**80.4**	**67.7**	**14.6**	**57.7**	**85.4**	**67.3**

1 Data for Denmark will no longer be reported from 2023, as a decision was taken to withdraw from the Danish market at the end of 2022.
2 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
3 2022 values for Denmark are based partially on the previous year's values as a decision was taken to withdraw from the Danish market at the end of 2022.
4 The values for 2022 were corrected by comparison to the information published in the previous year's report.

GRI 2-7, 405-1

EMPLOYEES BY EMPLOYMENT TYPE

Proportion of ALDI employees by employment type and gender on the reference date 31 December (headcount)

	2021				2022				2023[1,2]			
	Full-time	thereof female	Part-time	thereof female	Full-time	thereof female	Part-time	thereof female	Full-time	thereof female	Part-time	thereof female
Belgium/Luxembourg[3]	3,278	1,710	4,768	4,074	3,500	1,844	4,979	4,224	3,481	1,803	5,151	4,319
Denmark	971	370	1,949	1,019	705	249	1,902	960	–	–	–	–
France	11,104	6,059	5,324	4,278	10,830	5,608	4,926	3,931	9,985	5,304	4,829	3,807
Germany	8,567	3,508	29,332	21,903	8,779	3,669	31,268	23,109	9,232	3,706	30,833	22,999
Netherlands	1,969	468	7,593	5,136	2,131	531	8,674	5,701	2,008	505	8,005	5,230
Poland	2,983	2,363	696	637	3,975	3,109	726	662	3,970	3,218	632	588
Portugal	761	402	1,661	1,209	889	483	1,971	1,366	909	493	1,756	1,225
Spain	2,485	1,276	3,454	2,532	2,636[4]	1,440	3,908	2,938	2,919	1,623	4,182	3,184
ALDI Nord	**32,118**	**16,156**	**54,777**	**40,788**	**33,445**	**16,933**	**58,354**	**42,891**	**32,504**	**16,652**	**55,388**	**41,352**

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2 Due to a change in the corporate structure, some values have changed in scope.
3 The information about the legally independent companies of ALDI Belgium and ALDI Luxembourg has been combined for the purposes of a simplified presentation (see 'Report profile').
4 The values for 2022 were corrected by comparison to the information published in the previous year's report.

SOCIAL COMMITMENT

We are a retailer of basic goods. Every day, we ensure millions of customers have access to fresh, high-quality products with excellent value for money, making basic goods affordable for everyone – simply and swiftly. We aim to ensure that everybody has their fundamental needs met in the course of their daily lives.

This is why we provide support beyond our core business wherever people lack basic necessities or where the supply of essentials is not guaranteed. In the reporting year, we concentrated on the following across all countries:

- Health in work and private life, and working conditions
- Healthy nutrition and exercise
- Local social activities
- Fire, natural disasters, and civil protection

We help by doing what we do best based on the discount principle: hands-on, fact-based, and simple. Alongside financial support, we help with personal engagement to make the greatest impact.

OUR APPROACH

Working closely with respected national initiatives and organisations is a source of pride in all eight ALDI countries as we support diverse projects to enhance local communities and promote broader societal initiatives. As a retailer of basic goods, we lend support wherever people lack basic necessities, or when assistance is urgently needed such as in the wake of environmental disasters. We help people in need wherever possible through donations such as financial aid, nutritious food, and a wide range of non-food items.

Our decentralised approach to social responsibility ensures that our impact in the different regions is authentic and effective, empowering local teams to create meaningful change in line with our overarching values. Each country operates independently and tailors its efforts to the individual needs and circumstances of its communities.

ORGANISATION & GUIDELINES

Projects are selected and promoted independently in each ALDI country. Several regional companies also manage their social commitment independently – with the support of national or international services. Some ALDI countries follow a national framework for social responsibility to manage engagement. This framework sets the parameters for social engagement such as working at the national, regional, or local level, and follows strategic themes such as food waste, packaging, and promoting a healthy diet. ALDI Belgium also has a framework for participation in public debate.

In 2023, ALDI Netherlands published its internal sponsorship policy. This policy sets out how they deal with social and commercial sponsorship requests, and defines the national or regional level for handling the requests. The aim is to set clear guidelines for colleagues and customers. In 2023, social sponsorship focused on healthy nutrition, reducing food waste, and sustainable packaging.

PROGRESS & MEASURES 2023

In the reporting year 2023, ALDI companies contributed to the community through partnerships, projects, and donations.

ALDI Nord in times of crisis: support for victims of war and natural disasters

ALDI Nord continues to support people in Ukraine by providing essential items like blankets and winter clothing. In Germany, we donated nearly 300 pallets of relief supplies to the German-Ukrainian Blue-Yellow Cross Association (BGK) in Cologne. BGK is a non-profit organisation established in 2017 and it has been helping war victims like children, internally displaced persons, and the injured since 2014. Donated goods are sorted and prepared for transport to Ukraine where they are distributed by local aid organisations.

ALDI Nord also responded quickly to the disastrous earthquake in Turkey and Syria by donating around 100 pallets of aid, including warm clothing, beds, mattresses, blankets and pillows. The team worked with partners such as Deutsche Bahn and Malteser International to overcome logistical challenges, and Malteser International organised local assistance.

Targeted and effective social engagement: ALDI Spain

Social commitment at ALDI Spain is mainly focused on topics where we have the greatest impact: supporting people in critical and adverse situations. In this report, we also outline other social engagements such as reducing food waste and promoting a healthy lifestyle.

ALDI Spain and the Spanish Paralympic Committee (CPE) signed a sponsorship agreement to promote values such as effort, teamwork, perseverance, self-improvement, and pride among Paralympic athletes. This agreement represents a commitment to nutrition, enabling athletes from Spain to achieve their goals with an individualised balanced diet.

In March, ALDI Spain donated more than 28,200 litres of whole milk to food banks affiliated with the Federación Espanola de bancos de alimentos (FESBAL). ALDI Spain has been working with FESBAL and its 54 affiliated food banks since 2014, and has participated in several of the organisation's initiatives.

Viva for Life at ALDI Belgium

Every year, the Belgian public broadcaster RTBF organises 'Viva For Life', a charity event for Walloon children under six years of age who live below the poverty line. This year was the 11th-anniversary edition, with ALDI Belgium as the primary sponsor. We used ALDI Nord channels to encourage our customers to donate, and to come to the ALDI Day in Bertrix on 20 December 2023. Various ALDI-themed activities were held throughout the day for the public in the presence of our year-end mascot 'Willie Witloof'. During the ALDI Day, we sold mulled wine, Nono fruit juices, hot dogs, and Willie Witloof wrapping paper to raise money.

Daily vegetables for children in day care centres: ALDI Netherlands

ALDI Netherlands supported several voluntary projects and partnerships, focusing on promoting a healthy lifestyle, reducing food waste, and sustainable packaging. In 2023, this initiative included a healthy eating project carried out in cooperation with JOGG (Young People at a Healthy Weight Foundation), a foundation dedicated to fighting childhood obesity. We were nominated for a Healthy Innovation Award with JOGG and the regional department JOGG Limburg.

Our vegetable boxes (Groenteboxjes) programme promotes the consumption of vegetables among children aged one to four. The programme encourages children in day care centres to eat vegetables daily by providing them with entertaining and educational materials, and rewarding them for trying different vegetables. A study by Maastricht University showed that the intervention led to a significant increase in the consumption of vegetables among young children. In 2023, we reached 2,700 children with this programme.

Supporting communities and food waste reduction: ALDI Portugal

ALDI Portugal's social commitment is founded on broad cooperation with several partners to combat food waste and support vulnerable people at various locations through food and non-food donations. In 2023, ALDI Portugal continued local partnerships with organisations that receive food surpluses from our stores on a daily basis.

We also support social organisations in their annual food collection campaigns such as the Food Bank and Assistência Médica Internacional (AMI). ALDI Portugal again joined the AMI Foundation's Ecoética environmental project in 2023 to contribute to the reforestation project in Portugal. Since 2021, ALDI has supported this project by selling various FSC® certified paper products and donating 30 per cent of the profit to the initiative.

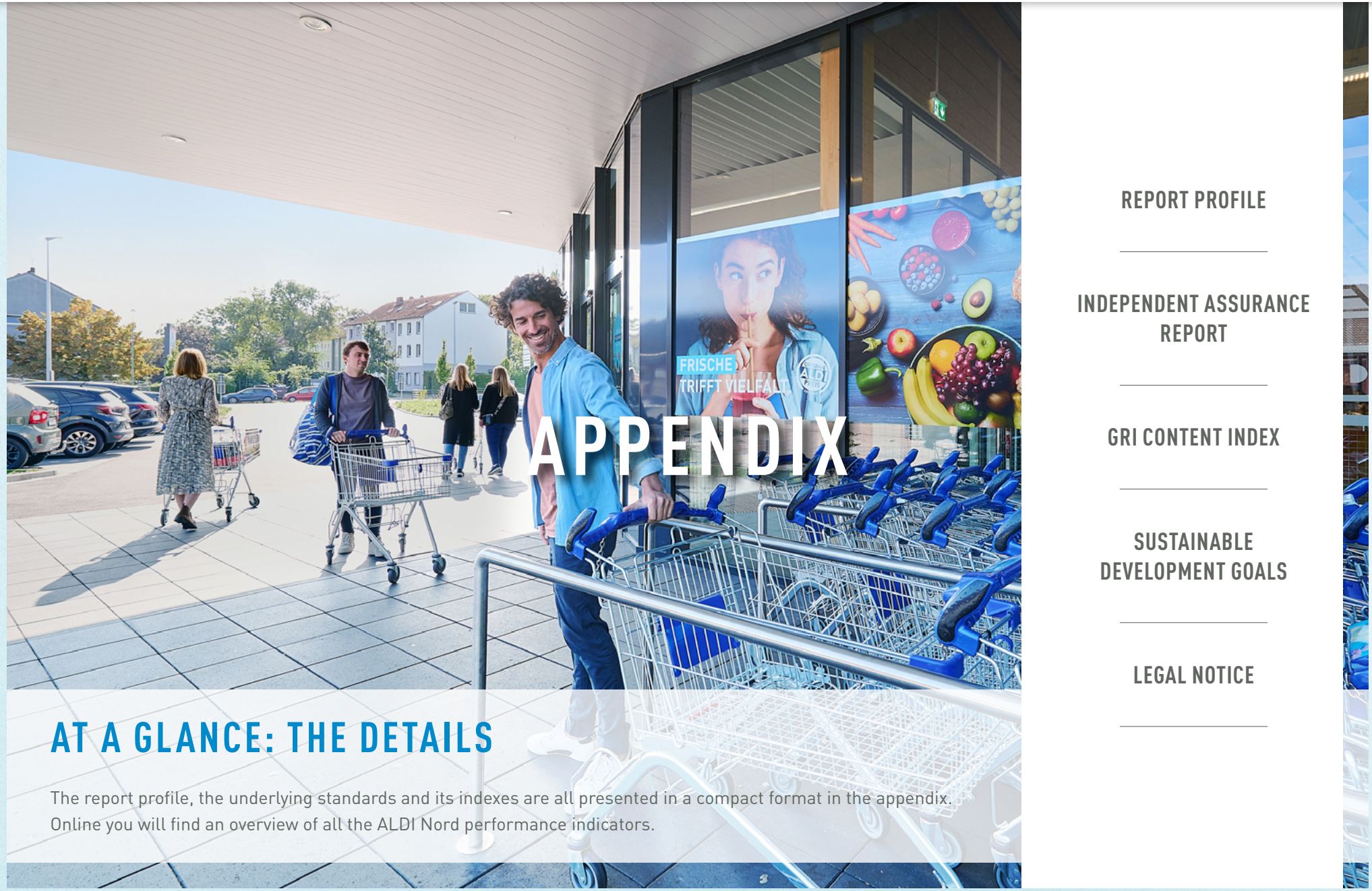
At the end of 2023, ALDI Portugal donated textiles worth around two million euros to the ENTRAJUDA. This association helps charities to improve their management and organisation in order to combat poverty in Portugal. The donations include clothing for men, women, and children, as well as home textiles, such as pillows, blankets, bed linen, towels, and other accessories. We delivered over 400 pallets of goods, with around 200,000 items, that could no longer be sold in our stores as they were only available in small quantities or not in their original packaging.

Another focus is the promotion of healthy eating among children. ALDI Portugal continued working with the Portuguese Association Against Child Obesity (APCOI) as the main supporter of the Fruit Heroes (Heróis da Fruta) project. Anyone who purchases undersized pears, apples, or water at ALDI Portugal under the Heróis da Fruta brand automatically donates to this project, which runs throughout the country. The programme uses educational materials that star an inspiring group of model characters who gain 'superpowers' by eating healthy food, and non-formal education techniques such as storytelling and gamification. It is the largest education initiative for healthy eating in Portugal. For further details on initiatives against food waste, see the section Responsible product ranges.

ALDI France's commitment to inclusion

ALDI France is committed to inclusion. In particular, the European Week for the Employment of People with Disabilities saw activities being organised to raise awareness among our employees. We set up a DuoDay when a volunteer employee welcomes a person with a disability. This day is an opportunity to meet, change our perspective, and overcome our prejudices. Other activities during the week include quizzes, and a series of conferences involving a top athlete with a disability. In order to raise awareness of disabilities among our employees, we distributed calendars featuring celebrities with invisible disabilities. Our aim was to show that a disability can happen to anyone, that it can be invisible, and that it does not have to be a barrier to a career.

ALDI France also participates in the annual food collection organised by food banks and Restos du Cœur, which directly benefits people suffering from food insecurity. Since the first collection for Restos du Cœur in March 2023, this year's collection has provided around 1.1 million meals. The collection takes place in shops and volunteers representing the various organisations collect the products purchased and donated by customers to the association.



APPENDIX

AT A GLANCE: THE DETAILS

The report profile, the underlying standards and its indexes are all presented in a compact format in the appendix. Online you will find an overview of all the ALDI Nord performance indicators.

REPORT PROFILE

INDEPENDENT ASSURANCE REPORT

GRI CONTENT INDEX

SUSTAINABLE DEVELOPMENT GOALS

LEGAL NOTICE

REPORT PROFILE

This report is the fifth comprehensive Sustainability Report of the ALDI Nord Group. It provides transparent information about our material goals, measures and progress. The report is directed in particular towards customers, employees, non-governmental organisations, suppliers, and business partners, as well as interested parties in the public domain.

Structure and content

In our Sustainability Report 2023, we wish to show our stakeholders why we are addressing and reporting on the selected topics from a sustainability perspective. The introductory pages of each section serve as the starting point for exploring the issues covered by the report more closely. We give an account of where we stand on sustainability and what we strive to achieve in the future. The report is available exclusively as a compact PDF file online. National sustainability communication on the countries' individual websites expands the report to make sustainability issues even more tangible.

We determined the topics covered by this report using our materiality analysis. The report has been prepared *with reference* to the GRI Standards. The GRI content index provides an overview at a glance.

Reporting period and publication cycle

GRI 2-3 The reporting period covers 1 January to 31 December 2023. We have taken account of significant events up to the editorial deadline on 31 July 2024. To date, ALDI Nord has published a comprehensive Sustainability Report every two years. In the intervening period, we issued an annual sustainability update (Interim Report) on relevant statistics and progress. However, this report is the last Sustainability Report we will publish in this format, as we will be focussing on CSRD preparation and the associated reporting from now on.

Scope of the report and publisher

GRI 2-1/-9 The editor of the report is ALDI Einkauf SE & Co. oHG, Essen (hereinafter referred to as ALDI Einkauf). The scope of this report is the ALDI Nord Group.

In Germany, the ALDI Nord Group is a group of legally independent companies with the legal structure of GmbH & Co. KG respectively SE & Co. KGs (limited partnership with a GmbH respectively SE as general partner), until 30 September 2023 horizontally organised as a 'Group of equal Companies' ('Gleichordnungskonzern'). The legally independent foreign ALDI companies are licensees of the ALDI brand granted by ALDI Einkauf, and are hence within the scope of this report as part of the ALDI Nord Group.

Any deviations within individual key figures or contents are identified accordingly. The procurement of goods for ALDI Luxembourg is carried out by the commissioned purchasing and logistics division of ALDI Belgium. However, ALDI Luxembourg and ALDI Belgium are legally independent companies whose figures have been aggregated in the tables of this report for reasons of convenience. Online services such as travel, photo, music and mobile phone services, green energy, and ALDI delivery are not included in the Sustainability Report.

As a result of our decision to leave the United Nations Global Compact (UNGC), we have discontinued the inclusion of information relating to the UNGC Communication on Progress in our report.

GRI 2-4/-5 Selected content and performance indicators for the year 2023 were the subject of an audit opinion by the independent audit firm Deloitte GmbH, Wirtschaftsprüfungsgesellschaft (Munich). They are identified by the tick ✓. Retroactive changes to figures with respect to previous reports are noted accordingly.

Organisational changes

GRI 2-1/-9 In 2023, there were some structural changes in business operations. In December 2022, a decision was taken to withdraw from Denmark and focus solely on markets with sustainable growth opportunities in the future. The majority of the ALDI stores and employees in Denmark were taken over by other companies. ALDI Denmark closed its operation on 30 November 2023. Due to the withdrawal from the Danish market at the time the report was being prepared, Denmark is no longer within the scope of the report.

In addition, the business operations of the German regional companies Mittenwalde, Greven and Scharbeutz were closed. Store operations remained largely unaffected by these changes as they were transferred to other German ALDI Nord companies. During the year under review, a number of stores were closed, modernised, and re-opened (see key figure 'Stores and employees'). For changes to the organisational structure, see the 'Organisation' sub-section in each section.

LIMITED ASSURANCE REPORT OF THE INDEPENDENT PRACTITIONER REGARDING SELECTED DISCLOSURES AND KPIS OF THE SUSTAINABILITY REPORT 2023

TO ALDI EINKAUF SE & CO. OHG, ESSEN/GERMANY

Engagement

We have performed a limited assurance engagement on selected disclosures and KPIs of the Sustainability Report 2023 for the period from January 1 to December 31, 2023 (further "CR report"/ "CR reporting") of ALDI Einkauf SE & Co. oHG, Essen/Deutschland ("the Company"). The selected disclosures and KPIs within the scope of our assurance engagement have been marked with the symbol (✓) in the sustainability report. Unmarked passages were not subject to the audit. The following list contains the audited KPIs:

- Direct energy consumption (MWh)
- Direct energy consumption by source (MWh)
- Greenhouse gas emissions Scope 1 and 2 (Metric Tons of CO_2e)
- Greenhouse gas emissions Scope 1 and 2 by source (Metric Tons of CO_2e)
- Indirect energy consumption (MWh)
- Organic products (Quantity)
- Fairtrade Products (Quantity)
- Certified palm oil (%)
- Certified sustainable cocoa (%)
- Certified sustainable coffee (%)
- Certified sustainable fish and seafood products (%)
- Certified sustainable tea (%)
- Certified sustainable cotton (%)
- FSC®- or PEFC™-certified products (%)

Responsibilities of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Sustainability Report in accordance with the principles stated in the Sustainability Reporting Standards of the Global Reporting Initiative (hereafter referred to as "GRI Principles").

These responsibilities of the executive directors include the selection and application of appropriate methods for Sustainability Reporting and the use of assumptions and estimates for individual disclosures which are reasonable under the given circumstances. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of a CR report that is free from material misstatement, whether due to fraud or error. The accuracy and completeness of the environmental data in the sustainability report are subject to inherent limitations resulting from the way in which the data is collected and calculated and the assumptions made.

Responsibilities of the Independent Practitioner

Our responsibility is to express a conclusion on the selected disclosures and KPIs of the Sustainability Report 2023 that have been marked with the symbol (✓), based on our work performed within our limited assurance engagement.

Our audit firm applies the Quality Management Standards promulgated by the Institut der Wirtschaftsprüfer (IDW). We have fulfilled the professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Code of Conduct for German Public Auditors and Sworn Auditors (BS WP/vBP) including the requirements on independence.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised)), developed and approved by the IAASB. This Standard requires that we plan and perform the assurance engagement so that we can conclude with limited assurance whether matters have come to our attention to cause us to believe that the selected disclosures and KPIs that have been marked with the symbol (✓) in the Sustainability Report of ALDI Einkauf SE & Co. oHG for the period from January 1 to December 31, 2023, has not been prepared, in all material respects, in accordance with the GRI Principles.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The choice of assurance work is subject to the practitioner's professional judgment.

Within the scope of our limited assurance engagement that we predominantly carried out in July to September 2024, we notably performed, the following work:

- Gaining an understanding of the structure of the sustainability organization, and of the stakeholders' engagement
- Inquiries of relevant personnel involved in the preparation of the sustainability report about the preparation process and about the internal control relating to this process for the selected disclosures and KPIs of the Sustainability Report
- Identification of potential risks of material misstatement concerning the information for the selected disclosures and KPIs of the Sustainability Report
- Analytical evaluation and substantive procedures on a sample basis of the selected disclosures and KPIs of the Sustainability Report
- Comparison of disclosures for the selected disclosures and KPIs of the Sustainability Report with corresponding data in the consolidated financial statements, the annual financial statements and the combined management report
- Assessment of the presentation of the selected disclosures and KPIs in the Sustainability Report

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Practitioner's conclusion

Based on the work performed and the evidence obtained, nothing has come to our attention that causes us to believe that the selected disclosures and KPIs that have been marked with the symbol (✓) of the Sustainability Report 2023 of ALDI Einkauf SE & Co. oHG for the period from January 1 to December 31, 2023 has not been prepared, in all material respects, in accordance with the GRI Principles.

We do not express a conclusion on the information that is not marked with the symbol (✓), external sources of documentation, interviews or expert opinions stated in the sustainability reporting.

Restriction of Use and Reference to Limitation of Liability

We issue this report as stipulated in the engagement letter agreed with ALDI Einkauf SE & Co. oHG. We are liable solely to ALDI Einkauf SE & Co. oHG, Essen/Deutschland, and our liability is governed by that engagement letter dated 12 June 2024 as well as the "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)" as of January 1, 2024 (IDW-AAB). We draw attention to the fact that the assurance engagement was performed for the purposes of ALDI Einkauf SE & Co. oHG and the report is solely designed for informing ALDI Einkauf SE & Co. oHG about the findings of the assurance engagement. Therefore, it may not be suitable for another than the aforementioned purpose. Hence, this report should not be used by third parties as a basis for any (asset) decision. We are liable solely to the Company. However, we do not accept or assume any responsibility to third parties. Our conclusion was not modified in this respect.

Cologne/Germany, 22 October 2024
Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed: Sebastian Dingel Signed: ppa. Arne Vilmar

GRI CONTENT INDEX

This report has been prepared *with reference* to the GRI Standards. The standard was published by the Global Reporting Initiative (GRI). The GRI content index provides an overview at a glance. Selected content and performance indicators for the year 2023 were the subject of an audit opinion by the independent audit firm Deloitte GmbH. They are identified by the tick ✓.

GRI 2: GENERAL DISCLOSURES 2016

GRI standard	Name	Reference & additional information
The organization and its reporting practices		
GRI 2-1	Organizational details	ALDI Einkauf SE & Co. oHG on behalf of ALDI Nord Report profile – Scope of the report and publisher Essen, Germany Sustainability approach Sustainability approach – How we are organised Country profiles
GRI 2-2	Entities included in the organization's sustainability reporting	The publisher of the Sustainability Report is ALDI Einkauf SE & Co. oHG located in Essen, Germany. The legally independent companies of ALDI Nord prepare their own financial statements.
GRI 2-3	Reporting period, frequency and contact point	Report profile – Reporting period and publication cycle Legal notice – Contact
GRI 2-4	Restatements of information	Report profile Should information from previous reports be continued in a modified form, ALDI Nord will undertake to find a transparent formulation. These modifications can be found in the respective texts.
GRI 2-5	External assurance	Report profile – Scope of the report and publisher Independent Assurance Report
Activities and workers		
GRI 2-6	Activities, value chain and other business relationships	Country profiles Sustainability approach – Introduction | How we are organised Responsible product ranges – Our approach Social responsibility in the supply chain – Our approach | Organisation & Guidelines | Organisation & guidelines – Assessments on human rights and social compliance | Our commitment to transparency and disclosure | Fair business relations: How we empower local farmers and promote fair trade projects Environmental responsibility in the supply chain | Our approach | Organisation & guidelines | Progress & measures 2023 Report profile – Organisational changes
Governance		
GRI 2-9	Governance structure and composition	Sustainability approach – How we are organised Report profile – Scope of the report and publisher All companies are controlled and organised differently. More detailed information can be found in the sections 'Customer & product', 'Supply chain & resources', 'Climate & environment' and 'Employees & community' in the sub-sections on approach as well as guidelines.

GRI standard	Name	Reference & additional information
Strategy, policies and practices		
GRI 2-22	Statement on sustainable development strategy	Foreword Sustainability approach
GRI 2-23	Policy commitments	Foreword Sustainability approach – Introduction | Our contribution to the sustainable development goals Environmental responsibility in the supply chain – Our approach | Purchasing policies Social responsibility in the supply chain – Our approach | Organisation & guidelines – Policy statements, position papers, and international frameworks Attractive Employer – Our approach
GRI 2-24	Embedding policy commitments	Environmental responsibility in the supply chain – Our approach | Purchasing policies
GRI 2-25	Processes to remediate negative impacts	Social responsibility in the supply chain – Our strategy to establish grievance mechanisms
GRI 2-26	Mechanisms for seeking advice and raising concerns	Compliance – Our approach
GRI 2-28	Membership associations	Stakeholders & networks – Our Approach – Partnerships, networks & charters
Stakeholder engagement		
GRI 2-29	Approach to stakeholder engagement	Materiality – Methodology – Involvement of stakeholders Stakeholders & networks – Stakeholder review and our involvement
GRI 2-30	Collective bargaining agreements	Attractive employer – Ensuring attractive and flexible working conditions for all ALDI employees

GRI 3: MATERIAL TOPICS

GRI standard	Name	Reference & additional information
GRI 3-1	Process to determine material topics ✓	Materiality – Methodology Materiality – Methodology – Involvement of stakeholders Materiality – Methodology – List of topics and evaluation of relevance Materiality – Materiality results
GRI 3-2	List of material topics ✓	Materiality – Methodology Materiality – Methodology – List of topics and evaluation of relevance Materiality – Materiality results

KEY TOPICS GRI 200 ECONOMIC TOPICS, GRI 300 ENVIRONMENTAL TOPICS, GRI 400 SOCIAL TOPICS

GRI standard	Name	Reference & additional information
GRI 204: Procurement practice		
GRI 3-3	Management of material topics	Responsible product ranges – Our approach | Organisation & guidelines | Awards and international recognition Transparency & communication – Regulations | Raising consumer awareness: communication about sustainable consumption Environmental responsibility in the supply chain | Our approach | Organisation & guidelines | Purchasing policies | Progress & measures 2023 | Improvement of agricultural practices and fisheries – Working towards sustainable cotton | Protection of forests and soils through sustainable procurement Social responsibility in the supply chain | Our approach | Organisation & guidelines | Policy statements, position papers, and international frameworks | Living wages for banana farmers
FP 2	Percentage of procurement volume certified according to recognised standards ✓ (partly)	Responsible product ranges – Meeting customer demands for sustainable product | Organic and Fairtrade Products Social responsibility in the supply chain – Certified sustainable cocoa products I Certified sustainable coffee I Certified sustainable tea
GRI FP: Animal welfare		
GRI 3-3	Management of material topics	Responsible product ranges – Meeting customer demands for sustainable product | Commitment to greater animal welfare: meeting customer expectations for more ethical products
FP10	Practices, by species and breed type, related to physical alterations and the use of anaesthetic	Responsible product ranges – Meeting customer demands for sustainable product | Commitment to greater animal welfare: meeting customer expectations for more ethical products
GRI 205: Anti-corruption		
GRI 3-3	Management of material topics	Compliance – Introduction | Regular Compliance training from the start
GRI 205-1	Operations assessed for risks related to corruption	Operations are regularly assessed. Confidentiality constraints: For reasons of confidentiality and competition, no further information will be given.
GRI 206: Anti-competitive behaviour		
GRI 3-3	Management of material topics	Compliance – Introduction | Regular Compliance training from the start
GRI 206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	Confidentiality constraints: For reasons of confidentiality and competition, no further information will be given.
GRI 301: Materials		
GRI 3-3	Management of material topics	Responsible product ranges – Our approach | Organisation & guidelines | Progress & measures 2023 Climate & environmental protection – Introduction The ALDI countries have set additional national targets and approaches in their respective packaging missions.
GRI 301-1	Materials used by weight or volume	ALDI companies operate in the retail sector. Goods are manufactured and packaged almost exclusively by suppliers. ALDI Nord is working with suppliers to make resource procurement more sustainable. The customer magazine directly results in the consumption of paper. Mainly since 2012, the customer magazine has been printed on FSC®-certified paper in all countries where the ALDI companies operate. In Germany, some of the paper is also certified with the Blue Angel label. Information unavailable/incomplete: The performance indicator 'Materials used for primary packaging' cannot be reported at the moment. A review has shown that the current presentation and collection of data on primary packaging is partially available and used for internal analysis and strategy.

Impact: Supply chain Company Customer

KEY TOPICS GRI 200 ECONOMIC TOPICS, GRI 300 ENVIRONMENTAL TOPICS, GRI 400 SOCIAL TOPICS

GRI standard	Name	Reference & additional information
GRI 302: Energy		
GRI 3-3	Management of material topics	Environmental responsibility in the supply chain – Introduction | Our approach | Improvement of agricultural practices and fisheries Climate & environmental protection – Measures to reach our goals | Progress and new measures in our stores Climate & environmental protection – Waste and water in our operating processes
GRI 302-1	Energy consumption within the organisation	Climate & environmental protection – Direct energy consumption | Direct energy consumption by source | Indirect energy consumption | Fuel consumption (KPIs) Energy consumption was calculated on the basis of the conversion factors for the performance of energy audits as recommended by the German Federal Office for Economic Affairs and Export Control. The ALDI companies report energy consumption in megawatt-hours (MWh). One megawatt-hour is the equivalent of 3.6 gigajoules (GJ).
GRI 303: Water and effluents		
GRI 3-3	Management of material topics	Environmental responsibility in the supply chain – Introduction | Our approach | Improvement of agricultural practices and fisheries Climate & environmental protection – Measures to reach our goals | Progress and new measures in our stores Climate & environmental protection – Waste and water in our operating processes
GRI 303-1	Interactions with water as a shared resource	Climate & environmental protection – Measures to reach our goals | Waste and water in our operating processes National Water Protection Policy
GRI 303-2	Management of water discharge-related impacts	Climate & environmental protection – Measures to reach our goals | Waste and water in our operating processes National Water Protection Policy
GRI 303-5	Water consumption	Climate & environmental protection – Waste and water in our operating processes | Progress & measures 2023 – Water consumption
GRI 304: Biodiversity		
GRI 3-3	Management of material topics	Environmental responsibility in the supply chain – Our approach | Organisation & guidelines | Purchasing policies | Improvement of agricultural practices and fisheries | Protection of forests and soils through sustainable procurement Social responsibility in the supply chain – Living wages for banana farmers
GRI 304-2	Significant impacts of activities, products, and services on biodiversity	Environmental responsibility in the supply chain – Improvement of agricultural practices and fisheries | Protection of forests and soils through sustainable procurement The ALDI companies operate in the retail sector. Goods are almost exclusively produced by suppliers. ALDI Nord is working with suppliers to make the procurement of resources more sustainable. All suppliers and producers comply with the relevant contracts as well as European and national legal regulations, such as the EU regulation on invasive species.

Impact: Supply chain Company Customer

KEY TOPICS GRI 200 ECONOMIC TOPICS, GRI 300 ENVIRONMENTAL TOPICS, GRI 400 SOCIAL TOPICS

GRI standard	Name	Reference & additional information
GRI 305: Emissions		
GRI 3-3	Management of material topics	Climate & environmental protection – Our approach I Organisation I Our climate targets I Measures to reach our goals I Progress and new measures in our stores I Efficient logistics, fleet, and distribution centres In some ALDI countries, emissions from electricity consumption are already reduced by the purchase of certificates. This is to be expanded in future or supplemented by the direct purchase of green electricity.
GRI 305-1	Direct (Scope 1) GHG emissions	Climate & environmental protection – Greenhouse gas emissions Scope 1 and 2 I Greenhouse gas emissions Scope 1 and 2 by sources (KPIs) In accordance with the applied BEIS emissions factors, CH4 and N2O were also included in the calculation alongside CO_2. Emissions due to refrigerant losses were again calculated in accordance with the requirements of the EU Regulation on Fluorinated Greenhouse Gases for all refrigerants and in line with the Greenhouse Gas (GHG) Protocol Sector Guidance 1.0 (2005). The method chosen to calculate carbon emissions (operational control) is based on the globally recognised WRI/WBCSD Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (Revised Edition 2015).
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Climate & environmental protection – Greenhouse gas emissions Scope 1 and 2 I Greenhouse gas emissions Scope 1 and 2 by sources (KPIs) This calculation is carried out in accordance with the requirements of the Greenhouse Gas (GHG) Protocol using the BEIS emission factors or GEMIS for emissions from the sourcing of district heating. According to the GHG Protocol, Scope 2 emissions from power consumption are calculated separately according to location-based and market-based emissions factors. Location-based methods are based on factors for certain geographic regions (such as a country), whereas market-based factors are – where possible – based on a company's individual electricity using information about the emissions actually generated by the energy producer. Location-based greenhouse gas emissions are calculated according to factors published by the International Energy Agency (IEA). See also GRI 305-1
GRI 305-5	Reduction of GHG emissions	Climate & environmental protection – Our climate targets I Determination of our climate footprint I Renewable energy: more green electricity to reach our goal I Savings achieved in specific GHG emissions (KPI) ALDI Nord Climate Protection Policy
GRI 306: Waste		
GRI 3-3	Management of material topics	Responsible product ranges – Our approach I Organisation & guidelines – Regulations I Reduction of food loss: our goals Climate & environmental protection – Organisations I Waste and water in our operating processes
GRI 306-1	Waste generation and significant waste-related impacts	Responsible product ranges – Our approach I Against food waste I Regulations I Progress & measures 2023 Climate & environmental protection – Waste and water in our operating processes
GRI 306-2	Management of significant waste-related impacts	Responsible product ranges – Our approach – Working against food waste I Organisation & guidelines – Regulations I Progress & measures 2023 Climate & environmental protection – Waste and water in our operating processes
GRI 306-3	Waste generated	Responsible product ranges – Food donations Climate & environmental protection – Amount of waste I Amount of waste by methods of disposal I Packaging waste by category for ALDI Nord (KPIs) Some of the disposal data was obtained directly from ALDI Nord, while some of the information came from disposal service providers. Residential waste is categorised by particular waste types on the basis of statistical data relating to the reuse of residential waste in Germany (Eurostat). The waste disposal method of on-site storage is not used.

Impact: Supply chain Company Customer

KEY TOPICS GRI 200 ECONOMIC TOPICS, GRI 300 ENVIRONMENTAL TOPICS, GRI 400 SOCIAL TOPICS

GRI standard	Name	Reference & additional information
GRI 308: Supplier environmental assessment		
GRI 3-3	Management of material topics	Environmental responsibility in the supply chain – Introduction I Our approach I Organisation & guidelines I Purchasing policies I Progress & measures 2023 Social responsibility in the supply chain – Our Approach I Assessments on human rights and social compliance I Living wages for banana farmers I Monitoring social compliance in global production facilities I Local Capacity Building in Bangladesh
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	Environmental responsibility in the supply chain – Improvement of agricultural practices and fisheries I Protection of forests and soils through sustainable procurement I Protecting the environment with sustainable cultivation of palm oil I How we promote the responsible use of water along our supply chains I Prevention of chemical pollution in production Social responsibility in the supply chain – Assessments on human rights and social compliance I Monitoring social compliance in global production facilities ALDI Nord did not specifically assess environmental impacts in the reporting year, although parts of the social audits focus on negative environmental effects. The audit rate provides information on how many production facilities are covered by audits in risk countries. Through contractual obligations such as certification ALDI Nord ensures that suppliers comply with environmental standards. Suppliers are responsible for ensuring compliance. In the first half of 2022, ALDI Nord conducted a comprehensive sustainability risk analysis with a strong focus on environmental risks in the supply chain. Based on the results of this risk analysis, high priorities have been identified for which a number of measures have been and will be developed and implemented.
GRI 403: Occupational health and safety		
GRI 3-3	Management of material topics	Attractive employer – Extensive measures to improve the health, safety, and well-being of our employees
GRI 403-1	Occupational health and safety management system	Attractive employer – Extensive measures to improve the health, safety, and well-being of our employees Information unavailable: This indicator is partially addressed. There are no international guidelines for the introduction of a management system for health and safety at work. In some countries, regular psychological assessments are required by law, but there is no international standard. Plus in Germany an occupational safety concept was developed with DEKRA in 2021.
GRI 403-2	Hazard identification, risk assessment, and incident investigation	Attractive employer – Extensive measures to improve the health, safety, and well-being of our employees Information unavailable: GRI 403-1
GRI 403-3	Occupational health services	Attractive employer – Extensive measures to improve the health, safety, and well-being of our employees Information unavailable: GRI 403-1
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Information unavailable: GRI 403-1
GRI 403-5	Worker training on occupational health and safety	Information unavailable: GRI 403-1
GRI 403-6	Promotion of worker health	Attractive employer – Extensive measures to improve the health, safety, and well-being of our employees Information unavailable: GRI 403-1
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Attractive employer – Extensive measures to improve the health, safety, and well-being of our employees Information unavailable: GRI 403-1
GRI 403-9	Work-related injuries	Information unavailable: GRI 403-1 Not applicable: ALDI Nord collects data on the number of lost days throughout the ALDI Nord Group for each reporting year. There are currently no plans to collect or analyse any more detailed data.

Impact: Supply chain Company Customer

KEY TOPICS GRI 200 ECONOMIC TOPICS, GRI 300 ENVIRONMENTAL TOPICS, GRI 400 SOCIAL TOPICS

GRI standard	Name	Reference & additional information
GRI 404: Training and education		
GRI 3-3	Management of material topics	Attractive employer – Introduction I Employer branding and recruitment: finding the right talent for open job positions I From survey to action: measures to increase employee satisfaction I People & Leadership development: employee dialogues and learning opportunities I Vocational training: market-oriented apprenticeships and trainee programmes
GRI 404-1	Average hours of training per year per employee	Attractive employer – Vocational training: market-oriented apprenticeships and trainee programmes Information unavailable: This figure is only available for ALDI Nord Germany. The information is currently not available for all ALDI countries due to differences in definitions and coverage.
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Attractive employer – People & Leadership development: Employee dialogues and learning opportunities I Vocational training: market-oriented apprenticeships and trainee programmes
GRI 405: Diversity and equal opportunity		
GRI 3-3	Management of material topics	Attractive employer – Introduction I Our approach I Organisation I Promoting diversity and equality: ALDI Nord's commitment
GRI 405-1	Diversity of governance bodies and employees	Attractive employer – Promoting diversity and equality: ALDI Nord's commitment 28 managing directors were employed in various divisions at ALDI Einkauf in the reporting year, 7 of whom were female. Not applicable: ALDI Nord collects data on the share of female employees by region, field of work (sales, warehouse, vehicle fleet, office, and upper and lower management) and management position. Data on age groups, nationalities and disabilities is not broken down any further or recorded as it is not considered to be constructive.
GRI 407: Freedom of association and collective bargaining		
GRI 3-3	Management of material topics	Social responsibility in the supply chain – Our approach I Organisation & guidelines – Policy statements, position papers, and international frameworks I Assessments on human rights and social compliance Attractive employer – Organisation I Ensuring attractive and flexible working conditions for all ALDI employees
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Social responsibility in the supply chain – Organisations & guidelines – Assessments on human rights and social compliance I Monitoring social compliance in global production facilities Environmental responsibility in the supply chain – Organisation & guidelines Collective bargaining agreements have been concluded at all company locations (with the exception of those in Poland, where collective bargaining agreements are generally not concluded). Private label suppliers of ALDI Nord are contractually obliged to comply with the amfori BSCI Code of Conduct, which is based on the International Labour Organization's (ILO) core conventions and the United Nations' (UN) Universal Declaration of Human Rights. If, in the course of audits at individual production sites, irregularities or violations are identified, we work together with our suppliers to develop solutions to improve the situation. Depending on the severity of the deviations identified, we reserve the possibility of a contractual penalty for the supplier. This is in turn used to improve the situation on site. During the reporting period, no business activity and no significant supplier was considered to be in violation of the freedom of association and collective bargaining rights of its employees.
GRI 408: Child labour		
GRI 3-3	Management of material topics	Social responsibility in the supply chain – Introduction I Our approach I Policy statements, position papers, and international frameworks I Forced labour and Child labour
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	Social responsibility in the supply chain – Forced labour and child labour

Impact: Supply chain Company Customer

KEY TOPICS GRI 200 ECONOMIC TOPICS, GRI 300 ENVIRONMENTAL TOPICS, GRI 400 SOCIAL TOPICS

GRI standard	Name	Reference & additional information
GRI 409: Forced or compulsory labor		
GRI 3-3	Management of material topics	Social responsibility in the supply chain – Introduction I Our approach I Policy statements, position papers, and international frameworks Social responsibility in the supply chain – Forced labour and child labour
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Social responsibility in the supply chain – Forced labour and child labour Not applicable: The ALDI Nord Group does not own any production facilities outside Germany and therefore does not operate in critical countries or are not part of this report. However, we support local communities at origin through appropriate measures and programmes.
GRI 411: Rights of indigenous peoples		
GRI 3-3	Management of material topics	Environmental responsibility in the supply chain – Introduction I Our approach I Organisation & guidelines
GRI 411-1	Incidents of violations involving rights of indigenous peoples	Environmental responsibility in the supply chain – Protection of forests and soils through sustainable procurement
GRI 413: Local communities		
GRI 3-3	Management of material topics	Environmental responsibility in the supply chain – Introduction I Our approach Social responsibility in the supply chain – Our approach I Policy statements, position papers, and international frameworks I Assessments on human rights and social compliance
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	Social responsibility in the supply chain – Fair business relations: How we empower local farmers and promote fair trade projects The ALDI Nord Group does not own any production facilities outside Germany and therefore does not operate in critical countries or they are not part of this report. However, we support local communities at origin through appropriate measures and programmes.
GRI 414: Supplier social assessment		
GRI 3-3	Management of material topics	Social responsibility in the supply chain – Introduction I Our approach I Organisation & guidelines I Policy statements, position papers, and international frameworks I Assessments on human rights and social compliance I Beyond auditing: CR performance and multi-stakeholder initiatives I Monitoring social compliance in global production facilities I Our strategy to establish grievance mechanisms
GRI 414-1	New suppliers that were screened using social criteria	Social responsibility in the supply chain – Monitoring social compliance in global production facilities In general, all factories within selected commodity groups and based in risk countries are checked for compliance with social audits by involving third-party audits before placing an order. In addition, factories are visited directly by the CR departments of ALDI CR Support Asia Ltd. and checked against social and environmental criteria using ASAs (ALDI Sustainability Assessments.)
GRI 414-2	Negative social impacts in the supply chain and actions taken	Social responsibility in the supply chain – Local Capacity Building in Bangladesh I Monitoring social compliance in global production facilities I Fair business relations: How we empower local farmers and promote fair trade projects See also additional information GRI 414-1.
GRI 415: Public policy		
GRI 3-3	Management of material topics	Confidentiality constraints: For reasons of confidentiality, we do not provide any further information beyond that provided by the usual information sources. Lobby costs and topics we work on can be found here: - Lobby register of the German Bundestag - Transparency register of the EU Parliament
GRI 415-1	Political contributions	Confidentiality constraints: For reasons of confidentiality, we do not provide any further information beyond that provided by the usual information sources. Lobby costs and topics we work on can be found here: - Lobby register of the German Bundestag - Transparency register of the EU Parliament

KEY TOPICS GRI 200 ECONOMIC TOPICS, GRI 300 ENVIRONMENTAL TOPICS, GRI 400 SOCIAL TOPICS

GRI standard	Name	Reference & additional information
GRI 416: Customer health and safety		
GRI 3-3	Management of material topics	Responsible product ranges – Our approach I Regulations I Progress & measures 2023 I Awards and international recognition
GRI 416-1	Assessment of the health and safety impacts of product and service categories	Responsible product ranges – Progress & measures 2023 Each product is scrutinised multiple times throughout the entire supply chain.
GRI 417: Marketing and labeling		
GRI 3-3	Management of material topics	Transparency & communication – Introduction I Our approach I Organisation & guidelines I Progress & measures 2023 Responsible product ranges – Our Approach I Progress & Measures 2023 I Awards and international recognition
GRI 417-1	Requirements for product and service information and labelling	Responsible product ranges – Progress & measures 2023 Social responsibility in the supply chain – Our commitment to transparency and disclosure Transparency & communications – Products with ALDI Transparency Code (Fish and Seafood in Germany) I Products with ALDI Transparency Code (Meat) (KPIs) As retailers, we are obliged to comply with our duty of care with regard to the protection of consumers and employees. We also comply with the labelling of products. Going beyond legal requirements, we monitor the production facilities of suppliers of our private label food products. In the case of non-food products, ALDI Nord generally specifies the country of production, though this is also obligatory in some cases. We and our suppliers comply with statutory requirements on the listing of ingredients, and the safe use and disposal of food and non-food products. Additional requirements for suppliers can be found in our purchasing policies. Information unavailable: quantitative information is currently not available.
GRI 418: Customer privacy		
GRI 3-3	Management of material topics	Compliance – Reliable data protection as a basic requirement
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Confidentiality constraints: We track the number of personal data breaches (according to GDPR), whereby the Group and each country tracks itself. The figures are then pooled internationally. We also track the number of breaches reported to supervisory authorities. Further information on specific cases and their number cannot be provided at this point.

SUSTAINABLE DEVELOPMENT GOALS

We support the 17 Sustainable Development Goals (SDGs) of the United Nations and wish to play our part in achieving them. In the course of our strategic considerations and our materiality processes, we continually evaluate our work on the basis of the SDGs. As retailers, we believe that our most significant leverage to reduce the impact of our actions and make positive contributions to development is the promotion of sustainable consumption and production patterns (SDG 12). Our activities are centred on ensuring that our ranges of private label products are sustainable along the entire value chain (SDG 8, 14, 15). In our operational processes, we see opportunities above all in even more efficient use of resources (SDG 7, 13). In total, we have identified 37 sub-goals, out of the 169 sub-goals, to which we can make a positive contribution.



RESPONSIBLE CONSUMPTION AND PRODUCTION

SDG 12.2 Sustainable management and use of natural resources	Stakeholders & networks Responsible product ranges Environmental responsibility in the supply chain Social responsibility in the supply chain Climate & environmental protection
SDG 12.3 Halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses	Responsible product ranges Social commitment
SDG 12.4 Environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	Responsible product ranges Environmental responsibility in the supply chain Climate & environmental protection
SDG 12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse	Stakeholders & networks Responsible product ranges Environmental responsibility in the supply chain Climate & environmental protection
SDG 12.8 Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	Responsible product ranges Transparency & communication Social responsibility in the supply chain Social commitment

DECENT WORK AND ECONOMIC GROWTH

SDG 8.4 Improve progressively global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead	■ Responsible product ranges ■ Environmental responsibility in the supply chain ■ Climate & environmental protection
SDG 8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	■ Compliance ■ Social responsibility in the supply chain ■ Attractive employer ■ Social commitment
SDG 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and end child labour in all its forms	■ Environmental responsibility in the supply chain ■ Social responsibility in the supply chain
SDG 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	■ Compliance ■ Environmental responsibility in the supply chain ■ Social responsibility in the supply chain ■ Attractive employer

AFFORDABLE AND CLEAN ENERGY

SDG 7.2 Increase substantially the share of renewable energy in the global energy mix	■ Climate & environmental protection
SDG 7.3 Double the global rate of improvement in energy efficiency	■ Climate & environmental protection

CLIMATE ACTION

SDG 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	■ Climate & environmental protection ■ Transparency & communication

LIFE BELOW WATER

SDG 14.1 Prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	■ Responsible product ranges ■ Environmental responsibility in the supply chain ■ Transparency & communication
SDG 14.4 Effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish stocks in the shortest time feasible, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics	■ Environmental responsibility in the supply chain

LIFE ON LAND

SDG 15.2 Promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally	Responsible product ranges Environmental responsibility in the supply chain Social commitment
SDG 15.3 Combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world	Environmental responsibility in the supply chain
SDG 15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species	Environmental responsibility in the supply chain

NO POVERTY

SDG 1.1 Eradicate extreme poverty for all people everywhere, currently measured as people living on less than $1.25 a day	Social responsibility in the supply chain
SDG 1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and achieve substantial coverage of the poor and the vulnerable	Social responsibility in the supply chain Social commitment

ZERO HUNGER

SDG 2.1 End hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round	Responsible product ranges Social commitment
SDG 2.2 End all forms of malnutrition, including achieving the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older person	Responsible product ranges Social commitment
SDG 2.3 Double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment	Responsible product ranges Transparency & communication Social responsibility in the supply chain
SDG 2.4 Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality	Environmental responsibility in the supply chain Social responsibility in the supply chain
SDG 2.5 Maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks at the national, regional and international levels, and promote access to and fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge, as internationally agreed	Responsible product ranges Environmental responsibility in the supply chain

GOOD HEALTH AND WELL-BEING

SDG 3.4 Reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and wellbeing	Responsible product ranges Transparency & communication Social commitment
SDG 3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	Climate & environmental protection Environmental responsibility in the supply chain Responsible product ranges Transparency & communication

QUALITY EDUCATION

SDG 4.3 Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university	Attractive employer Social responsibility in the supply chain
SDG 4.4 Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	Compliance Attractive employer Social commitment
SDG 4.7 Ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development	Transparency & communication Social responsibility in the supply chain Attractive employer

GENDER EQUALITY

SDG 5.1 End all forms of discrimination against all women and girls everywhere	Social responsibility in the supply chain Attractive employer
SDG 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Attractive employer

CLEAN WATER AND SANITATION

SDG 6.3 Improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally	Responsible product ranges Environmental responsibility in the supply chain Transparency & communication
SDG 6.4 Substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity	Environmental responsibility in the supply chain Climate & environmental protection

INDUSTRY, INNOVATION AND INFRASTRUCTURE

SDG 9.4
Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

- Responsible product ranges
- Climate & environmental protection

REDUCED INEQUALITIES

SDG 10.2
Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

- Attractive employer
- Social commitment
- Social responsibility in the supply chain

PEACE, JUSTICE AND STRONG INSTITUTIONS

SDG 16.5
Substantially reduce corruption and bribery in all their forms

- Compliance

PARTNERSHIP FOR THE GOALS

SDG 17.16
Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries

- Stakeholders & networks

LEGAL NOTICE

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CONCEPT/EDITING/DESIGN

Stakeholder Reporting GmbH & Co. KG, part of Forvis Mazars

EDITORIAL DEADLINE

31 July 2024

RELEASE

October 2024

We would like to thank all colleagues especially **Emma Persson**, **Lena Herrmann**, **Florian Dembele**, **Julia Rose**, and parties involved who joined forces to develop this report.

Language of the report

The report is available as a PDF document in English. In the interest of readability, the legal structure of companies is not specified. Only the masculine form is used in the report, with all genders being assumed to be included on equal terms.

Disclaimer

This report contains statements relating to the future developments of ALDI Nord. These statements constitute assessments which were made on the basis of information that is currently available to ALDI Nord. Actual future developments may deviate from the current assessments. ALDI Nord cannot therefore be held responsible for such statements.