

Report on Corporate Responsibility **PROGRESS 2021**



OUR APPROACH

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

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

REPORTING SCOPE:

- All reporting is based on our own-brand products only. Branded products are excluded.
- For the years 2020 and 2021, the ALDI SOUTH Group's Corporate Responsibility (CR) performance in the area of Resource Efficiency is reported excluding our national operations in Austria, Switzerland, Slovenia, Hungary, and Italy, due to a transition of IT systems.
- ALDI China, where we are operating a limited number of stores, is not considered within the scope of this reporting.

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





HUMAN RIGHTS

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





HUMAN RIGHTS

	2019	2020	2021	STATUS	TARGET
PERFORMANCE					
Social Monitoring Programme (SMP): Monitor compliance with social standards	Since 2018, integration of all high- priority non-food supply chains				All high-
		of all high-	integration oriority food chains		priority supply chains
ALDI Social Assessments: Evaluation of non-food production facilities	343	304	263	∞	-
ALDI Producer Assessments: Audits of food farms and plantations	44	20	62	∞	-
Corporate Responsibility Supplier Evaluation (CRSE): Integration of non-food business partners	Garment textiles	• Garment textiles • Shoes	Garment textilesShoesHouse- hold textiles		All high- priority supply
Corporate Responsibility Supplier Evaluation (CRSE): Integration of food business partners	Bananas	BananasPine- apples	BananasPine- apples		chains

Started In progress Achieved Ongoing





RESOURCE EFFICIENCY

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







	2019	2020	2021	STATUS	TARGET
PERFORMANCE					
SUPPLY CHAINS					
Chemicals in production: Wet production facilities used with compliant wastewater and sludge analysis	-	88%	97%	∞	-
Cocoa: Products containing certified cocoa	88%	89%	99%		100% by 2020
Coffee: Certified coffee products	-	-	75%		Steady increase
Cotton: Sustainable cotton tonnage	25%	50%	63%		100% by 2025
Eggs: Shell eggs from cage-free supply chains	46%	44%	48%		100% by 2025
Fairtrade: Certified products (including Fairtrade-sourced ingredients)	686	401	389	∞	-
Fish & seafood: Responsibly sourced fish and seafood	89%	95%	99%		100% by 2020
Palm (kernel) oil: Certified palm (kernel) oil in products	100%	100%	100%		100% by 2020
Soy: Soy with a low risk of deforestation	-	59%	No data available	\sim	-
Timber: Certified/recycled wood-based own- brand products	79%	84%	92%		100% by 2021
Tropical fruit: Certified bananas and pineapples sold in European and US stores	100%	100%	100%	\sim	-
PACKAGING			'		
Recyclability: Reusable, recyclable or compostable own-brand packaging	-	60%	66%		100% by 2025
Material reduction: Own-brand product packaging material (in relation to sales)	-	-	-2.5%		-15% by 2025
Recycled plastics: Recycled content in own- brand plastic packaging	-	-	18%		30% by 2025
Virgin plastic reduction: Virgin plastic in own- brand plastic packaging	-	-	No data available		-40% by 2025
WASTE	1		1	1	1
Food waste diverted from landfill or incineration	-	-	58%		90% by
Operational waste diverted from landfill or incineration	-	-	88%		2030

Started In progress Achieved Ongoing





				STATUS	TARGET
OBJECTIVES					
REDUCING GREENHOUSE GAS EMISSIONS	S IN OUR OPE	RATIONS			
Reducing our operational GHG emissions by 26%					2025
REDUCING GREENHOUSE GAS EMISSIONS	S IN OUR SUPI	PLY CHAINS			
Encouraging our suppliers to set science-based targets					2024
Implementing carbon reduction projects in selected supply chains					2025
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	2019	2020	2021	STATUS	TARGET
PERFORMANCE					
Company Carbon Footprint: Reduction of operational greenhouse gas emissions	-	-31%	Reporting on performance at the end of the year		-26% by 2025 (baseline 2016)
Carbon-neutrality of ALDI SOUTH Group countries	7	7			Net Zero Carbon
Electricity from renewable energy sources	90%	90%		∞	-
Refrigeration: Stores using more environmentally-friendly refrigerants	87%	87%			100% by 2025













HOFER Kommanditgesellschaft

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VAT Reg. No.: ATU24963706

Commercial register: FN 26451z, Regional Court of Wels

First Edition: 08/2022

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Please see cr.aldisouthgroup.com for more information on our international corporate responsibility activities.