



CR strategy

“Simplicity and responsibility are core values of ALDI SOUTH. Our business model is simple: great quality at the best price, fair and honest product offers, and efficient business processes. In all we do, we assume responsibility towards our customers, business partners, employees, the community, and the environment. Our CR Principles summarise our commitments to people and planet. They guide all of us in our day-to-day actions and are a strict requirement of our business partners.”

CR Principles

The companies of the ALDI SOUTH Group are committed to the principles of corporate responsibility (CR). We focus on the essentials and on achieving the greatest possible impact. Concretely, this means that we

1. analyse the impact of our business operations on our community and the environment,
2. identify topics and effective approaches,
3. set measurable goals,
4. plan and implement effective measures, and
5. monitor implementation and adjust measures as required.

CR Principles

In 2010, ALDI SOUTH established a set of international [CR Principles](#), which were last revised in 2015. These principles define our understanding of responsibility towards people and planet. They guide us in our day-to-day actions and are a strict requirement of our business partners. The CR Principles describe our approach in the five key areas of action: Customers, Supply chain, People, Community, and Environment.

Implementation

Up to top management level, representatives of the CR departments participate in all important international committees of the ALDI SOUTH Group. Consequently, CR-related aspects are considered within the scope of decision-making processes at top level.

We develop international strategies for fulfilling our responsibility across all areas of our business. These strategies are then implemented by the ALDI SOUTH Group's national organisations in each of the countries where we operate. In addition, each national organisation also develops its own national set of CR activities according to country-specific conditions.

The international goals are summarised in our International Action Plan (IAP), which also defines key performance indicators for measuring our progress. Progress is measured at least once a year and reported on by each of the national organisations. The summary of these national progress reports forms the basis for internal reporting activities and external communication of goal achievement.

All national organisations maintain communication with their relevant stakeholders. At international level on behalf of the national organisations, the Corporate Responsibility International department is responsible for communicating with stakeholders and representing the positions jointly adopted by the ALDI SOUTH Group's national organisations in international bodies and associations.

In 2017, we conducted an international survey of over 5,900 internal and external stakeholders and interviewed over 40 field experts. The goal of this survey was to determine whether we currently address the most important CR-related issues, and whether we prioritise these appropriately from a stakeholder perspective. The results of this survey are reflected within a comprehensive [materiality analysis](#), which forms the foundation for further developing our international and national CR strategies.

Decentralised company structure

For the planning, monitoring, and implementation of measures, each of the ALDI SOUTH national organisations has established its own CR department, which is responsible for the majority of CR activities. In some countries, certain topics, particularly in the areas of climate and environmental protection and human resources, are coordinated by one of the regional companies or a specific department.

International coordination and presence in Asia

The department Corporate Responsibility International (CRI) is a central service unit for the national organisations when it comes to topics with international relevance. CRI supports the national organisations in developing and coordinating strategies and operational approaches. On their behalf, CRI also analyses future trends and developments in the area of sustainability, prepares proposals for the strategic coordination of relevant activities, coordinates the internal reporting process, and coordinates external CR communication at group level. CRI also maintains dialogue with international stakeholders and represents the ALDI SOUTH Group's national organisations in international committees and multi-stakeholder initiatives.

Each of the ALDI SOUTH Group's national organisations sources a portion of their products from Asia. To minimise the risks relating to production conditions and ensure compliance with our high standards, the ALDI SOUTH Group has been operating its CR Unit Asia in Hong Kong since 2012 and established a second CR Unit in Bangladesh in 2017. The focus of these CR Units is to monitor our suppliers' production facilities and the performance of our suppliers with regard to

corporate responsibility. For this purpose, the CR Units conduct audits of the working conditions in the production facilities on behalf of the national organisations of the ALDI SOUTH Group and provide support to suppliers in implementing specific social and environmental standards.

Goals

The strategies established for implementing the CR Principles in each of the different modules include international goals which provide direction for each of the ALDI SOUTH Group’s national organisations. In addition to the range of international goals presented here, the national organisations also set their own goals to pursue as part of their national CR strategies.

1. Customers

Goal	Status as of 2017	Time frame
<p>Food safety standards: Production facilities commissioned for food products are to be certified according to an internationally recognised food safety standard.</p>	96.25%	Ongoing
<p>Responsible marketing: Each national organisation of the ALDI SOUTH Group is to approve a national policy for responsible marketing.</p>	Implemented throughout all ALDI SOUTH countries	Since 2017

2. Supply chain – Resources

Goal	Status as of 2017	Time frame
Palm oil/palm kernel oil: All palm oil/palm kernel oil used in our private label food products is to be certified .	90%	Since the end of 2015: DE, UK, IE, AT, CH, AU By the end of 2018: US, SI, HU
All palm oil/palm kernel oil used in our private label non-food products is to be certified .	13%	By the end of 2018
Sustainable forestry: All wood and paper-based product components are to be produced from certified raw materials or recycled materials.	80%	By the end of 2020
All wood and paper-based components contained in the product packaging of our everyday product range are to be produced from certified raw materials or recycled materials.	52%	By the end of 2020
Cocoa: All cocoa contained in the relevant private label products is to be certified .	80%	By the end of 2020
Coffee: The percentage of certified coffee is to be steadily increased.	43%	Ongoing
Fish sourced from responsible fisheries: Products containing fish and seafood are to be sourced from responsible fisheries .	82%	Ongoing

3. Supply chain – Suppliers

Goal	Status as of 2017	Time frame
Social Monitoring Programme: All non-food commodity groups are to be integrated within the Social Monitoring Programme (SMP).	Implemented throughout all ALDI SOUTH countries	Since the end of 2017
Auditing: All main production facilities used for non-food items which have been integrated within the Social Monitoring Programme are to possess a valid social audit report or certificate accepted by ALDI SOUTH.	Ongoing	Since 2008
All new non-food production facilities located in Bangladesh are to be visited within the scope of an ALDI Social Assessment.	Ongoing	Seit 2015
Detox Commitment: Transparency concerning all main and pre-production facilities used for textiles and shoes.	Ongoing	Since 2015
Wastewater and sludge analyses are carried out at all wet-processing facilities used for textiles and shoes.	89%	Since 2015
All textiles and shoes are to be produced in compliance with the ALDI threshold values defined for alkylphenol ethoxylates (APEOs) and perfluorinated compounds (PFCs). (see Detox Commitment)	Ongoing	Since 2017
The quantities of fibres used for garment and household textile products are being monitored.	Ongoing	Since 2017
The leather used as a main component of textiles and shoes is to be sourced solely from tanneries which possess a certificate issued by the Leather Working Group (LWG).	Ongoing	By 2020
A system is to be implemented for recording and donating product samples (of textiles and shoes) to non-profit organisations.	Implemented in 8 of 9 ALDI SOUTH countries	By 2020
Information on Detox-relevant topics is to be published regularly.	Ongoing	Since 2017

4. People

Goal	Status as of 2017	Time frame
Professional development: The training programme offered by the ALDI Academy/ALDI University is to be continuously improved with regard to its range of target groups and their individual needs.	Ongoing	Since 2010
A global competency model as well as requirement profiles tailored to the needs of different groups of employees are to be established.	Planned	By 2020
Corporate health management: A corporate health management system is to be implemented in each ALDI SOUTH country.	Planned/Currently being implemented	By 2018
Diversity: A global guideline for equal opportunities is to be implemented.	Currently being planned	By 2020

5. Community

Goal	Status as of 2017	Time frame
Strategy: An impact-oriented strategy for community activities is to be implemented throughout all ALDI SOUTH countries.	Implemented throughout all ALDI SOUTH countries	Since 2016

6. Environment

Goal	Status as of 2017	Time frame
<p>Company Carbon Footprint: Reduction of greenhouse gas emissions generated per m² of sales floor by 30% throughout all ALDI SOUTH countries or country clusters (base year: 2012).</p>	Achieved or exceeded in 3 out of 5 ALDI SOUTH country clusters	By 2020
<p>Energy management system: An energy management system based on the requirements of the ISO 50001 norm is to be implemented throughout all ALDI SOUTH stores.</p>	100%	Since 2016
<p>Refrigeration technology: In the refrigeration systems installed in all stores, refrigerants with a global warming potential (GWP) of > 2,200 are to be replaced by an alternative refrigerant with a lower GWP.</p>	75%	By 2025
<p>Lighting: In all stores, chiller cabinets are to be illuminated using LED bulbs instead of conventional fluorescent tube lighting.</p>	80%	By 2017
<p>In all stores, chest freezers are to be illuminated using LED bulbs instead of conventional fluorescent tube lighting.</p>	63%	By 2017
<p>All new ALDI SOUTH stores are to be fitted entirely with LED-based interior lighting.</p>	Ongoing	Since 2017
<p>Waste: In all countries of the ALDI SOUTH Group, waste volumes and disposal methods for the most relevant waste fractions are to be recorded by means of adequate monitoring systems.</p>	Implemented throughout all ALDI SOUTH countries	Expansion to include further waste fractions as of 2018

GRI disclosures

Organisational profile

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