



ALDI North Group
Sustainability Report 2015



The “original” among the discounters

At a glance:

ALDI North Group

The ALDI North Group includes stores in Belgium, Denmark, Germany, France, Luxembourg, the Netherlands, Poland, Portugal and Spain. Our office in Hong Kong highlights our focus on establishing CR standards in the supply chain.

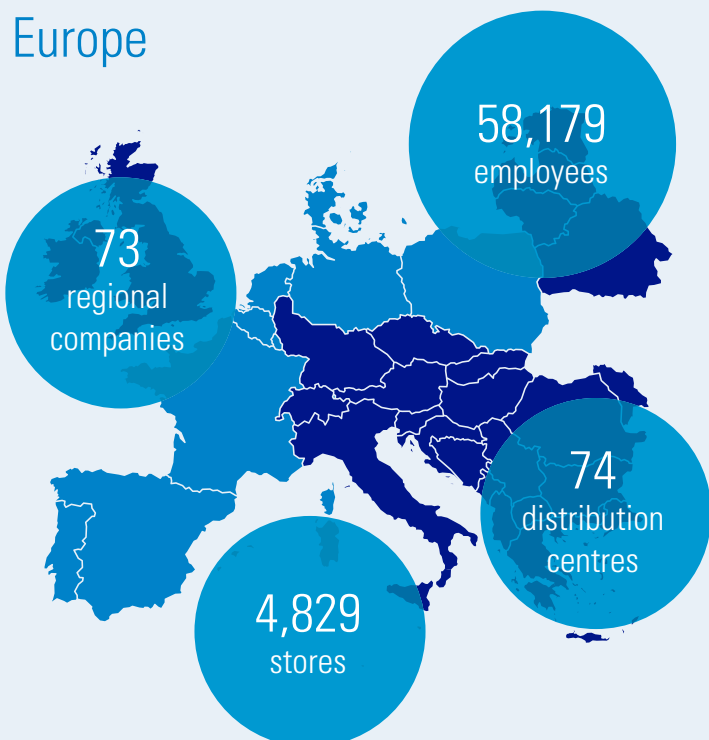
100 YEARS OF BUSINESS TRADITION

The ALDI brand is an unrivalled hallmark for the success of the discount principle. The foundation stone was laid in 1913. The original small food store in Essen-Schonnebeck has developed into the ALDI North Group, which is represented in a total of nine European countries with more than 70 legally independent regional companies. Our performance promise is the same today as it was in the past: “The highest quality – the lowest prices”.

We focus on the essentials: our customers. Every day, we supply our stores with

high-quality food and non-food products for them. Then there are special-buy products which are launched twice a week. The heart of our product range is provided by the ALDI North Group own brands. Selected brand-name products complete the product range. Online services like travel packages, photo services, music and mobile phone are also supplied under the ALDI brand, along with a florist service dispatching flowers. Current awards like the “Brand of the Year 2015” in the category “Food Retailer” and fifth place in the study “European Trusted Brands 2015” in the category “Food retail business” provide evidence for the trust of our customers.

Europe



Asia





Around **93%**

We exert a great deal of influence on business practices with around 93 percent own brands.



21.8 bn

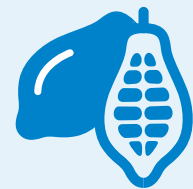
The ALDI North Group generated net sales of 21.8 billion euros in 2015.

Around **1.2 bn**

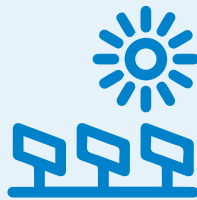
Our customers made around 1.2 billion purchases at our stores in 2015.



Around **49%**



The proportion of insourced own-brand products with certified/verified sustainable cocoa already amounted to around 49 percent in 2015.



7,798 MWh

of electricity were produced by our photovoltaic systems across the ALDI North Group in 2015.

2,308

apprentices were employed in our group in the reporting year.



Publisher

The ALDI brand stands for successful discount retailing. The brand is used by the ALDI North Group and the ALDI SOUTH Group which have family ties. ALDI Buying is the owner of the ALDI brand at the ALDI North Group.

SUBJECT OF THE REPORT

The **publisher** of the report is ALDI Einkauf GmbH & Co. oHG, Essen (referred to below as: ALDI Buying), and the subject of the report is the ALDI North Group.

In Germany, the ALDI North Group as a group of subsidiaries is comprised of legally independent regional companies, in each case with the legal form of a GmbH & Co. KG (limited partnership with the general partner typically being a limited company). The legally independent foreign ALDI companies are licensees of the ALDI brand and

are therefore also part of the ALDI North Group. Each of the domestic and foreign regional companies has an administrative unit, a distribution centre and approximately 70 stores. ALDI Luxembourg is supplied by the Buying and the Logistics department of ALDI Belgium. Nevertheless, ALDI Belgium and ALDI Luxembourg are legally independent companies, which are regularly displayed in pooled form in the report for reasons of simplicity.

All legally independent companies in the ALDI North Group are also referred to below in summarised form as the ALDI North Group.

Our Responsibility – the Corporate Responsibility Policy

Traditional business values are the foundation of the enduring success of the ALDI North Group. In future, we want to continue setting standards for retail in a simple, responsible and reliable approach. Our aim is to make a contribution to sustainably positive development wherever we have an opportunity to shape the future.

As a retailer operating on the international stage, we are aware of the impact of our business operations on the environment and the community. Our Corporate Responsibility (CR) Policy highlights our understanding of responsibility in five fields of action where we can make a difference. We have formulated concrete CR goals for these fields of action and established them strategically within our company.



Employee appreciation:

We want our employees to be proud of ALDI.



Supply chain responsibility:

We accept responsibility in our supply chain.



Resource conservation:

We act in an environmentally and climate friendly manner.



Social commitment:

We want to leverage our expertise and experience, and contribute to finding a solution for societal challenges above and beyond our core business.



Dialogue promotion:

We foster dialogue with our stakeholders transparently and openly.

Online note:

Our CR Policy is available for download at www.cr-aldinord.com

Our Products – the story behind them



An insight into the
ALDI North Group
product range

Our products are almost exclusively produced for the ALDI North Group – these are our own brands. We are able to exert significant influence over the make-up and production of the products and therefore design sustainability directly into the product. On the following pages we want to show you the progress we have already made. The individual key product points present some of the aspects that we focus on.

Fruit and vegetables

On average, our customers are offered a range of 80 different fruit and vegetable products in an ALDI North Group store. These are increasingly labelled with an EU organic logo, Fairtrade mark or Rainforest Alliance Certified™ seal. Depending on the season, we complement our standard range with various products, for example asparagus in spring or pumpkins in autumn. We motivate our customers to pursue a healthy lifestyle with attractive recipes.

BEE PROTECTION

Certain active ingredients that are toxic to bees have been banned for cultivation of fruit, vegetables and potatoes in Germany.

ORGANIC QUALITY

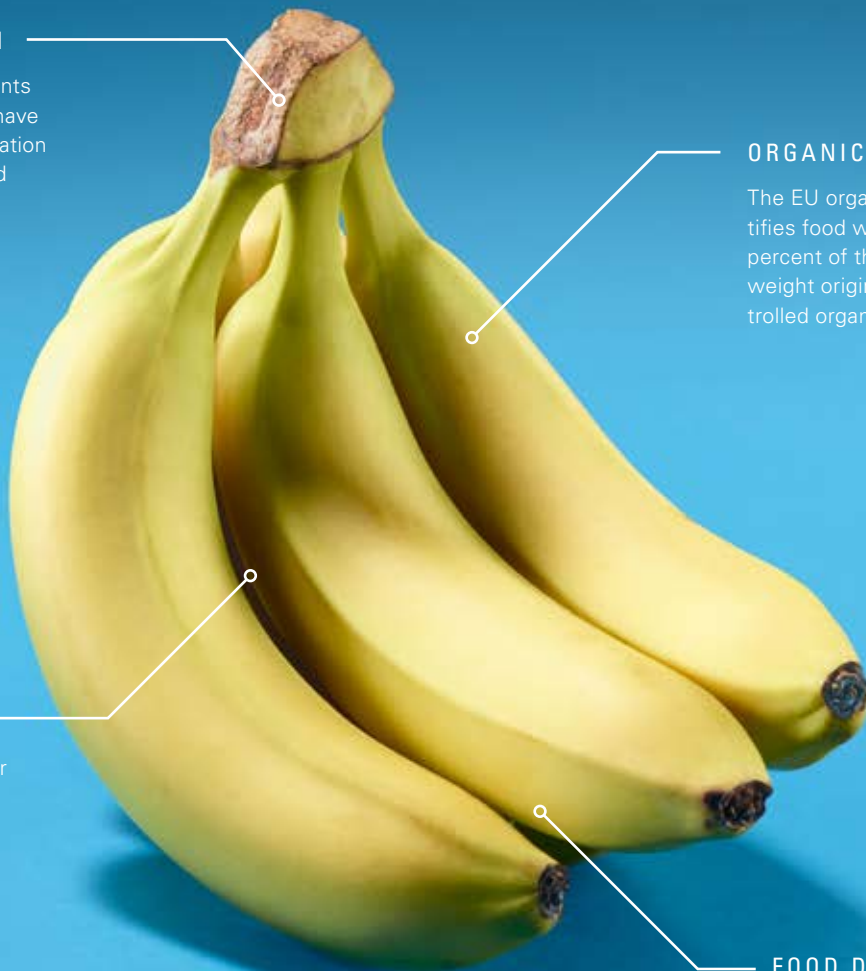
The EU organic logo identifies food with at least 95 percent of the ingredients by weight originating from controlled organic cultivation.

GRASP

We evaluate the labour and social practices at producers of fruit and vegetables using the evaluation tool GRASP based on the GLOBALG.A.P. standard.

FOOD DONATIONS

Food that is no longer saleable but still edible is donated for charitable purposes in many countries.



Meat

Our customers find a wide range of different meat products at the ALDI North Group. Traditional standard products like chicken breast fillet, fillet of pork, and cold meats are all popular alongside seasonal articles like meat for barbecues in the summer. We are also increasingly offering vegetarian and vegan alternatives.

PURCHASING POLICY

Our International Animal Welfare Purchasing Policy regulates the purchase of own-brand products with animal content for sourcing meat.

NO GENETIC ENGINEERING

In Germany, the ALDI North Group uses the "Ohne Gentechnik" seal (Ohne Gentechnik = no genetic engineering) which includes a ban on the use of feedstocks from genetically modified organisms.

TRANSPARENCY

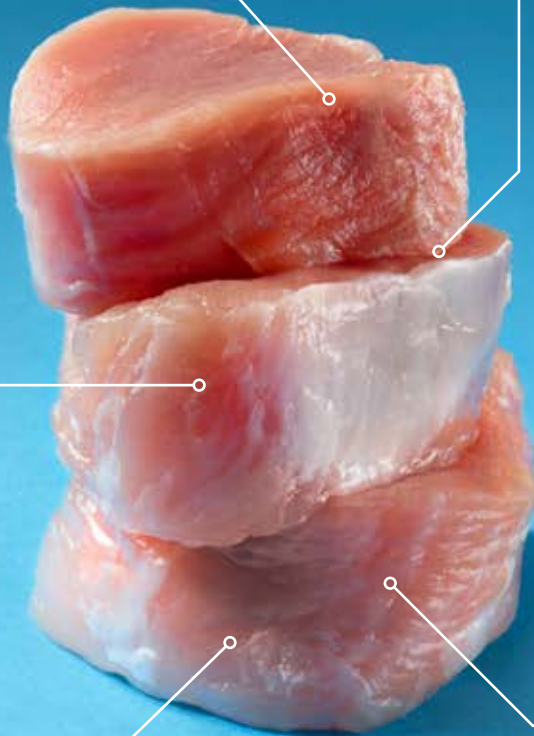
The ALDI Transparency Code (ATC) enables us to create more transparency for our customers on the origin of our products.

VEGETARIAN/VEGAN

We are continually expanding our offering of vegetarian and vegan products – labelled with the V-Label – as an alternative to meat products.

INITIATIVE

The ALDI North Group is a founding member of the voluntary and cross-sector "Initiative Tierwohl" (Animal Welfare Initiative).



Coffee

Espresso, caffè crema or whole beans: We offer a large range of coffee under our brands Markus and Moreno – in many countries coffee is also sold in organic and Fairtrade quality. We use high-quality blends of coffee which increasingly come from certified sustainable sources.

RAINFOREST ALLIANCE CERTIFIED™

The familiar green frog logo labels coffee from sustainably managed farms – as well as cocoa, tea and bananas.

STANDARDS

We want to further increase our sustainability engagement in the coffee range in future with the assistance of 4C, Rainforest Alliance, Fairtrade, UTZ and EU organic.



4C AS BASIC STANDARD

We regard the global 4C Code of Conduct as the basic standard on the roadmap to demanding certifications of coffee.

PRODUCT-RANGE SELECTION

In 2016, we are drawing up an International Coffee Purchasing Policy. This is aimed at gradually increasing the share of sustainable coffee.

Textiles

We are one of the leading textile retailers in Germany. We also rank among the major textile suppliers in other countries where the ALDI North Group is operating. Our special-buy product range includes a growing diversity of textiles, ranging from bed linen to sports clothing. Comprehensive quality processes guarantee a high level of functionality and long life. We work together with our office in Hong Kong and with our partners to address challenges in the supply chain.



PRODUCT-RANGE SELECTION

We are working on a purchasing policy for cotton and we have banned angora wool and genuine fur from our textiles.

AFA PROJECT

We are working on the ALDI Factory Advancement (AFA) Project together with the ALDI SOUTH Group with the aim of improving working conditions in the production facilities which manufacture our clothing textiles in Bangladesh.

DETOX

We support the Detox campaign and we will ban the use of specific chemicals in textile and footwear production by 2020.

ALLIANCES

Together with our partners, we are committed to achieving better production conditions, for example by participating in the "Bündnis für nachhaltige Textilien" (Partnership for Sustainable Textiles) and in the Business Social Compliance Initiative (BSCI).

Fish

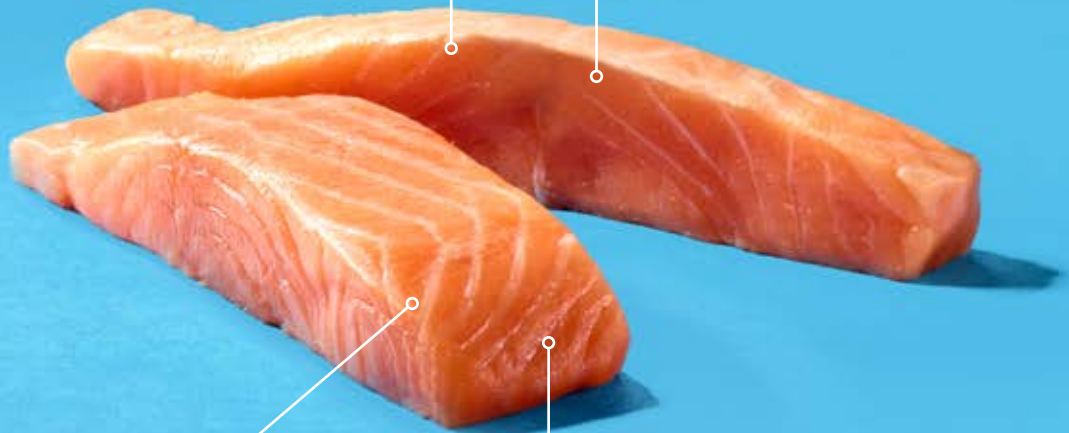
We offer a wide range of fish and seafood products. Alongside traditional classics like fish fingers and fish fillets, our customers will also find products like smoked salmon, sushi and organically farmed prawns at the ALDI North Group. Fresh fish is a growing line of products that we are offering in Belgium, Denmark, Germany, France, Poland and Spain.

PURCHASING POLICY

Our sustainable Fish Purchasing Policy has been providing clear guidelines since 2011, for example on endangered species or fishing methods.

CERTIFIED

In 2015, the share of certified sustainable fish products was nearly 33 percent in the ALDI North Group – in Germany, it was even around 71 percent followed by almost 57 percent in Denmark and more than 47 percent in the Netherlands.



MSC ECOLABEL & ASC LOGO

The blue MSC ecolabel and the green ASC logo are the hallmark of sustainable fish and seafood products.

ORIGIN

Our customers find a lot of information on the packaging about the origin of the fish, which in some cases even extends to the fishing vessel or port of landing.

Cocoa

Cocoa is contained in many products from the ALDI North Group: in chocolate, as a spread in nut and nougat cream, and as an important ingredient in pralines, ice cream, cereals and bakery products. Cocoa products are also indispensable for our special-buy product range including chocolate Santa Clauses and Easter bunnies. We are increasingly purchasing our cocoa from certified sources.

PURCHASING POLICY

International Cocoa Purchasing Policy:
We want to convert our own-brand products containing cocoa to 100 percent certified resources by the end of 2017.

UTZ SEAL

UTZ is one of the biggest sustainability programmes for cocoa, coffee and tea. "UTZ" originates from the Mayan language and means "good".

FAIR BRAND

FAIR chocolate has been supplied in a number of countries. FAIR is our own brand for products with the Fairtrade mark.

INITIATIVE

We have joined forces with partners in the initiative "Forum Nachhaltiger Kakao" (FNK – German Initiative on Sustainable Cocoa) as part of a commitment to promote sustainable cocoa production and a transparent supply chain.



Wood, board and paper

Wood, board and paper are used for many of our products, from paperbacks to kitchen towels, and from coloured pencils to garden furniture. We also make use of packaging and transport materials made from board and use paper in administration and for promotional purposes, for example in our customer magazine ALDI aktuell.

CERTIFIED

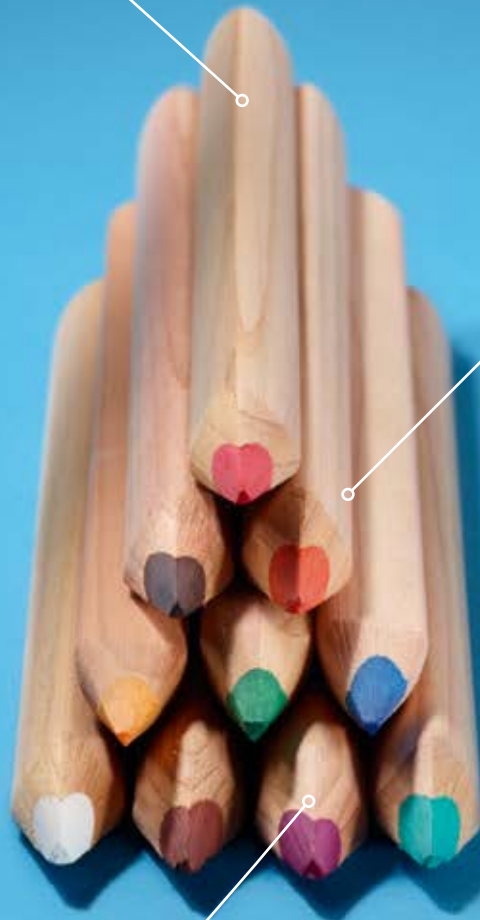
In 2015, more than 41 percent of insourced own-brand products were FSC® or PEFC-certified products.

FSC® LABEL

The FSC® label indicates wood-based products which originate from responsible forestry.

PRODUCT-RANGE SELECTION

In 2017, we will publish an international purchasing policy for wood, board and paper that is binding throughout the group of companies.



Carrier bags

Long-life and manufactured to conserve resources. Since 2014, the long-life shopping bag has been complementing our range of loop handle bags and cooling bags, as well as bakery product bags and string net bags for fruit and vegetables. This has already been common practice in Portugal since 2012. In 2015, we sold more than six million long-life shopping bags to our customers throughout the ALDI North Group.

REUSABLE

Recycled and recyclable. Recycled PET bottles are the main material used for the manufacture of long-life shopping bags. These bags can be reused up to 200 times.



RECYCLING

More than 20 empty 1.5 litre PET bottles can be carried in the long-life shopping bag to our deposit machine.

ENVIRONMENTAL LABEL

Our standard carrier bag at the ALDI North Group is also made from recycled material. For more than 15 years, it has been certified with the Blue Angel environmental label.



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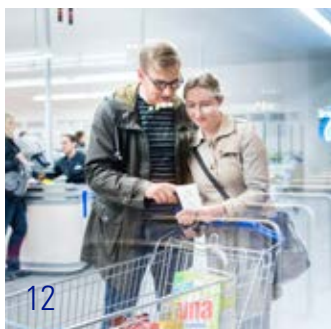
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Dear Readers,

We are a successful and high-performing discounter operating on the international stage. Our company acts on a simple business principle – focusing on the essentials. The ALDI brand represents a performance promise of “the highest quality – the lowest prices”. The wellbeing of our customers is our objective. Traditional business values have been the platform for our enduring success for more than 100 years: simplicity, responsibility and reliability. We are proud of this achievement.

Corporate Responsibility (CR) has always been embedded in the values and tradition of the ALDI North Group. Our conviction is that a responsible approach is necessary in order to safeguard long-term competitiveness, employer appeal and our performance promise. As far as we are concerned, this means taking responsibility for our products, and for the social and environmental impacts of our business operations along the value chain. As a result, millions of people in Europe are able to do their shopping in our stores with a good conscience. After all, the trust of our customers is our most valuable asset.

We are one of the leading discounters for quality and price – we strive to achieve this position in the area of responsibility as well. With this end in mind, we are committed to our material fields of action: employee appreciation, supply chain responsibility, resource conservation, social commitment and

dialogue promotion. We secure our long-term success by meeting the associated challenges. This journey of sustainable development has been clearly defined in our CR Policy. We have clear ideas about a sustainable future for our business operations. Our targets form the benchmark for quantifying our success and we publish them in our CR Programme – because we keep our word.

Retail trade with our own brands represents our core business. They rank among the most familiar brands in retail and they are bestsellers. These brands empower us to make consumption of everyday essentials more sustainable for around 1.2 billion purchases  every

year. As a European market player, we exert influence on global supply chains through our product range and make use of international standards and our own requirements. A key factor for our long-term success is an approach based on partnership through cooperation with suppliers and manufacturers who share our understanding of quality and responsibility.

At the ALDI North Group, our sustainable development is based on a proven principle: decentralised structures with direct decision-making pathways. The different CR issues in the group of companies are driven forward in continuous dialogue with all the relevant stakeholders. More than 58,000 employees make their indispensable contribution to our joint success every day.

The first sustainability report by the ALDI North Group provides an overview of the status quo and outlines the challenges, advances and perspectives of our sustainable development. We report transparently in accordance with the G4 Guidelines of the globally accredited Global Reporting Initiative (GRI). The publication of the report marks a milestone for us and also represents a starting point for ongoing dialogue with our stakeholder groups.

Rayk Mende
Managing Director Corporate Responsibility
ALDI Einkauf GmbH & Co. oHG

“We are one of the leading discounters for quality and price – we strive to achieve this position in the area of responsibility as well.”



Permanently successful with clear values

— STRATEGY & MANAGEMENT

91%

of our German customers have been shopping with us for ten years or longer: customers trust the ALDI brand.

OUR APPROACH IS BASED ON TRADITIONAL BUSINESS VALUES

ALDI is one of the leading discounters in Europe. We represent clearly defined values and principles and pursue the objective of being permanently successful in our business. As a discounter, we make an important contribution to providing a broad range of consumers with products that meet their daily needs. We act in the interests of our customers and reliably meet our [performance promise](#) to supply high-quality products at permanently favourable prices.

More than 58,000 employees work for the ALDI North Group. The ALDI North Group is a reliable partner for suppliers and makes a contribution to

wealth creation at 75 locations. Taking responsibility for our corporate actions (Corporate Responsibility – CR) has always been part of our business ethos. We also take responsibility in order to secure our competitiveness over the long term, continue writing our success story and further expand our market position in Europe.

Over the past decades, we have consistently expanded our product range in the [food and non-food segment](#) to meet the needs of our customers. This exerts an impact on where and how we procure our products. The number of suppliers has increased, supply chains have become more complex, goods from various countries of origin are sold in the stores alongside regional products. Reaching all parts of the value chains therefore



We act in the interests of our customers.

Products and own brands in the 2015 product range

Number of products and proportion of own-brand products¹ in the standard product range (in percent)

	Number of products	Proportion of own brands (in %) ☺
Belgium/Luxembourg ²	1,113	99.7
Denmark	1,394	87.7
Germany	1,183	94.8
France	1,210	94.6
Netherlands	1,238	97.7
Poland	1,339	88.6
Portugal	1,477	92.3
Spain	1,422	90.2
ALDI North Group	1,297	92.9

¹ Unlike brand-name products, own-brand products are those for which we define strict requirements to exert an impact on the manufacturing process.

² ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

Food and non-food segment

We include all food from the special-buy product range and standard product range under food. The latter is permanently available in the stores, but it may vary from country to country and be different in individual stores.

Non-food describes our cosmetic and toiletry products from the standard range, and a large proportion of the weekly special-buy products such as furniture or textiles.

becomes a comprehensive task. However, this proactive approach is precisely in tune with the expectations of consumers and other players in the community, such as associations. They believe that companies should be committed throughout the world to ensuring that environmental and social standards are observed in manufacturing and upstream processes. This development gives rise to our aspiration to make our CR engagement even more professional and to establish it as a more strategic objective.

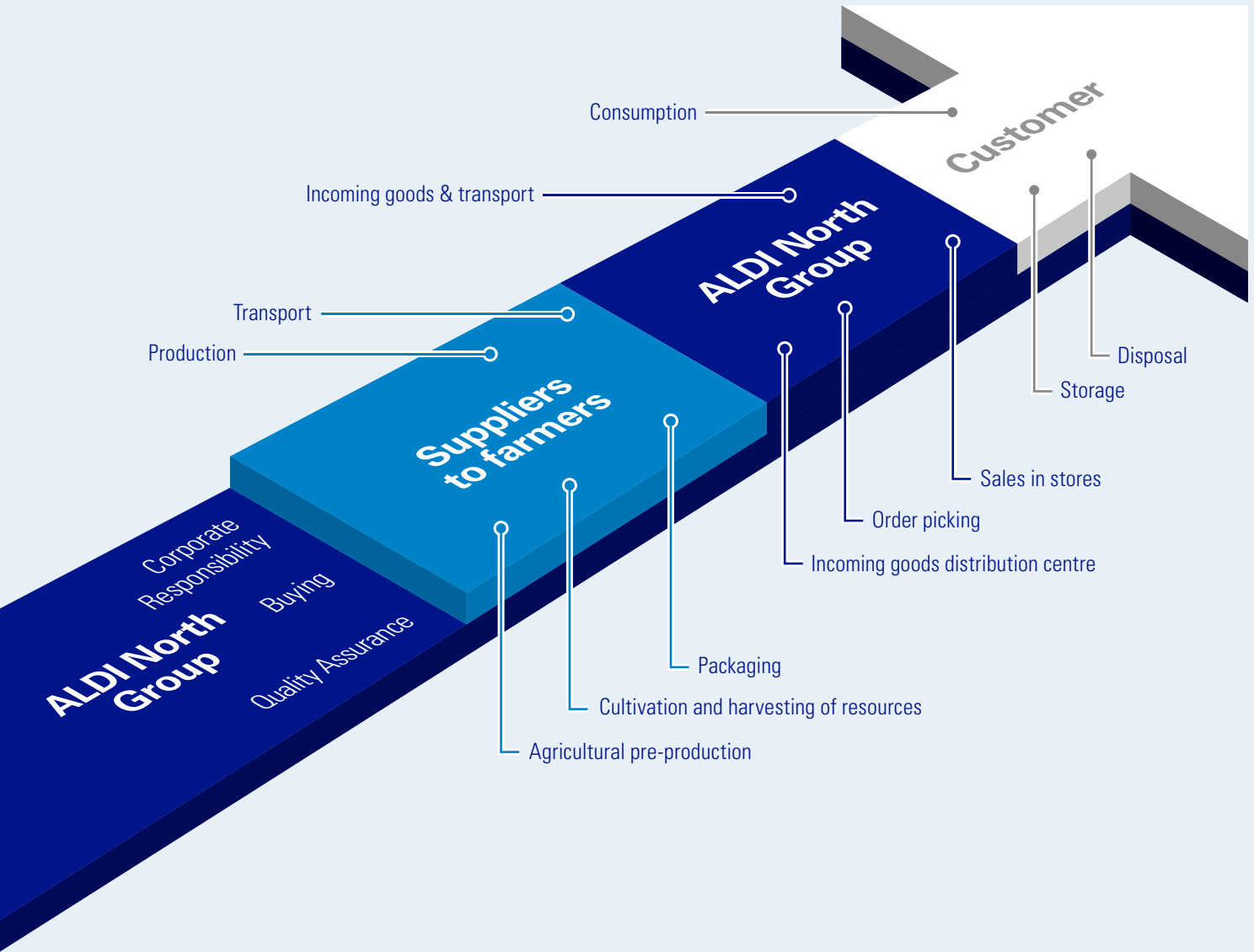
We have created the structural enablers for this. The CR department is anchored within the operating processes of ALDI Einkauf GmbH & Co. oHG in Germany (referred to as ALDI Buying below) and in the individual ALDI North Group

Buying companies in Belgium, Denmark, France, the Netherlands, Poland, Portugal and Spain (see page 17). This creates the simple and direct decision-making pathways for CR that define our organisational structure at the ALDI North Group.

As early as the 1990s, we already began to establish a sustainable product-range selection. Since 2008, the ALDI North Group has been a member of the Foreign Trade Association (FTA) and a participant in the Business Social Compliance Initiative (BSCI). The objective is to make a contribution to improving the working conditions in supply chains (see page 38). Today, we are incorporating sustainability systematically within the structures and processes of the ALDI North Group so that we are able to address the entire range of issues (see page 15).

Value chain of the ALDI North Group

We offer our customers a varied and diverse product range with an average of 1,300 products from 70 product groups. Around 93 percent of the standard product range are own brands which implement our quality standards. Brand-name products with a proven track record complement the product range. Furthermore, promotional campaigns are carried out under the slogan "ALDI aktuell" (ALDI Informs). They involve marketing products from the sectors of textiles and footwear, electronics, household, DIY and home improvement, and gardening.



The consistent ongoing development of our product range now encompasses global supply chains and a dense supplier network as a fixed element in our buying processes. There are many different routes to the processed, packaged product. For example, meat and products containing meat pass through numerous value added stages from cultivation of the feedstock, to rearing and fattening of the animals, to slaughtering and processing. Fish are wild

catch or farmed in aquacultures and then processed on the ship or on land respectively, before being packed and transported. Resources like coffee or bananas are cultivated in cooperatives and brought to our shelves through exporters, importers and wholesalers.

As a retail company, we have various ways of exerting an impact on the different processes of the value chain. Our objective is to

contribute where we have the opportunity to make a difference. This is primarily in the area of quality, CR, buying, goods logistics, and in workflows in and around the stores. Purchasing policies and other programmes allow us to exert an impact indirectly on upstream processes with sub-suppliers and producers. For example, we can enhance the awareness of our customers for sustainability issues through promotional campaigns and product information.



More space and light with upgrading of our stores: our new store concept (see page 71)

Mission statement & CR Policy

The mission statement "Simply ALDI" and the CR Policy are available online and can be downloaded:

www.cr-aldinord.com

The leadership principles "real traders" complement the mission statement (see page 56).

"SIMPLY ALDI" – PRINCIPLES AND POLICIES

The **mission statement** "Simply ALDI" describes our aspiration to continually set standards for food retailing and to further expand the market position of the ALDI North Group. "Simplicity, responsibility and reliability" are the three core values embedded in the mission statement. It provides employees of the ALDI North Group with clear orientation and offers practical support for implementing our values in every-day business. The roll-out of the mission statement was launched with workshops and staff bulletin in autumn 2014.

The **CR Policy** is also applicable for the entire ALDI North Group and it defines what CR means within the ALDI North Group. It links up with the CR content and core values of the mission statement and gives concrete form to the fields of action where we implement our corporate responsibility. Concrete goals and measures for each field of action are summarised in the CR Programme (see page 21). The CR Policy was published at the end of 2015. This policy enables us to explicitly complement our performance promise in relation to price and quality with the issue of corporate responsibility.

Our engagement – the five fields of action



Employee appreciation entails being a responsible and reliable employer. We want our employees to take pride in working for the ALDI North Group.



Supply chain responsibility is the responsibility for a more sustainable cultivation of resources and improved social and environmental conditions in the production facilities operated by our suppliers.



Resource conservation encompasses measures for climate and environmental protection in the stores, logistics and at the administrative locations.



Social commitment means using our expertise and experience to provide solutions for challenges in the community beyond our core business. The foundation ALDI Nord Stiftungs-GmbH was established in 2015 for this purpose.



Dialogue promotion involves us in inviting customers, employees and other stakeholder groups to engage proactively in communication. Our objective is to structure our dialogues transparently and openly.

Stakeholders

The most important stakeholder groups we are in dialogue with:

- Customers
- Employees
- Non-governmental organisations
- Initiatives and associations
- Suppliers and business partners
- Works councils and unions
- Media

GRI G4-18, G4-19, G4-20, G4-21, G4-24

CR PROGRAMME: THE CONCRETE STAGES

The CR Programme integrates operational goals and measures with the strategic objectives of the CR Policy (see page 15). We review target attainment and communicate our progress via different channels including the Sustainability Report. The focus is specifically on reporting about those issues that are currently of particular interest to us and our stakeholder groups. We carried out a nuanced survey before drawing up the report in order to ascertain which issues are currently a top priority – known as the materiality analysis:

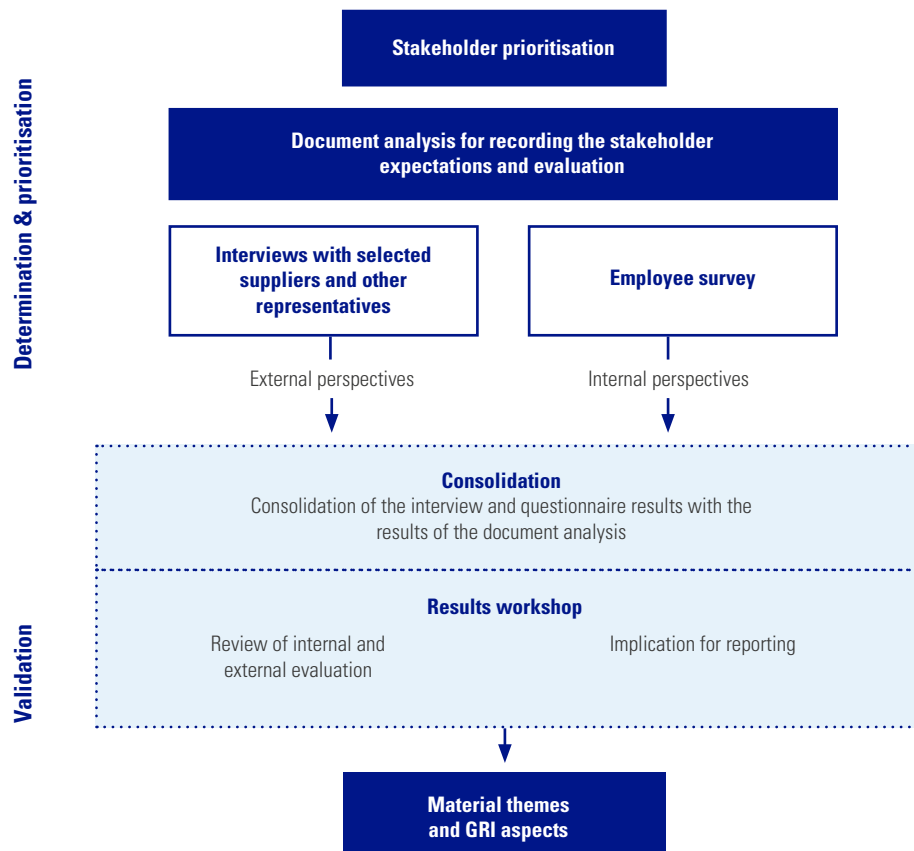
FOCUSING ON THE ESSENTIALS

In the summer of 2015, ALDI Buying carried out a comprehensive materiality analysis in order to determine which issues are currently top priorities for the ALDI North Group and its [stakeholders](#). Our aim was to classify past and future CR issues on the basis of their importance from an internal and external perspective. We also sought to define the current issues for reporting. The five steps

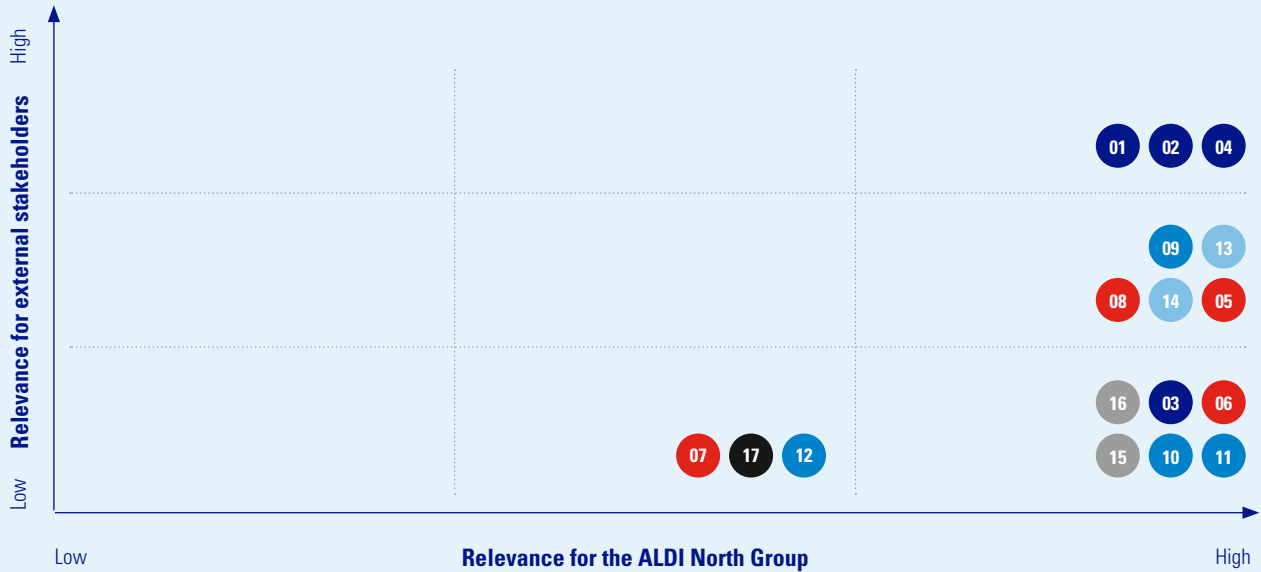
of the materiality analysis process enabled us to determine a total of 17 material issues.

As a first step, we evaluated the importance of different stakeholder groups for the ALDI North Group (see page 19). This enabled us to derive the scope of expectations that we need to take into account. We then evaluated a comprehensive database. This included more than 800 enquiries relevant to CR submitted to Corporate Communication from the period between May 2014 and May 2015, information from other companies in the ALDI North Group and analyses from external sources. We also interviewed employees, suppliers and the works council of a regional company in order to ensure that we adequately recorded the expectations of our most important stakeholders. The consolidated results were discussed comprehensively in a workshop with representatives drawn from different departments. The process resulted in the so-called materiality matrix, which illustrates the relevance of each issue for internal and external stakeholders.

Materiality analysis process 2015



Materiality matrix 2015 for the ALDI North Group



Supply chain responsibility

- 01 | Soc. & envir. standards for purchase of food
- 02 | Soc. & envir. standards for purchase of non-food
- 03 | Transparency & traceability
- 04 | Sustainable product-range selection

Dialogue promotion

- 13 | Transparency & dialogue
- 14 | Communication

Resource conservation

- 05 | Energy efficiency
- 06 | Climate protection
- 07 | Biodiversity
- 08 | Waste management

Company

- 15 | Compliance
- 16 | Business success

Employee appreciation

- 09 | Fair employer
- 10 | Occupational health & safety
- 11 | Human resource policy based on life phase
- 12 | Raising awareness for the issue of sustainability

Social commitment

- 17 | Social commitment

Regional companies

All regional companies have an administrative unit, a distribution centre and approximately 70 stores.

GRI G4-18, G4-19, G4-20, G4-21, G4-24

Each of the individual issues subject to discussion was assessed internally as relevant. None of the issues was assessed as not relevant from an external perspective. The highest relevance was attributed to issues from the field of action "supply chain responsibility", followed by the issues "fair employer", "transparency & dialogue", "communication", "waste management" and "energy efficiency". We strive to achieve more transparency and we have therefore included all the issues in our first Sustainability Report. The issues were weighted in the report to reflect their evaluation in the materiality matrix. At the beginning of each section, we refer to the materiality issues and the aspects of the reporting standard of the Global Reporting Initiative (GRI) (see page 79).

DECENTRALISED ORGANISATIONAL STRUCTURES

The ALDI North Group is represented in nine European countries with companies as independent legal entities. In Germany, the ALDI North Group is established as a group of equal subsidiaries made up of legally independent regional companies, in each case in the legal form of a GmbH & Co. KG (limited partnership with the sole general partner being a limited liability company). This means that the managing directors of the independent regional companies have equal status in casting votes at meetings of the managing directors. ALDI Einkauf GmbH & Co. oHG is engaged by these regional companies to provide various services. This company is also the licensor of the ALDI brand for the legally

99%

of all Germans know about ALDI.



Sugar

Sugar was one of the first products in Germany and it has been sold since 1914.

independent foreign companies of the ALDI North Group operating in the ALDI North Group countries. This arrangement ensures a uniform brand profile.

The departments under the organisation of ALDI Buying include, among others, Corporate Buying and the Corporate Responsibility (CR) department. The CR department is headed by one of a total of five managing directors of ALDI Buying. In 2015, this department was set up as a dedicated section within ALDI Buying and has since been gradually expanded. Previously, CR had been grouped with Quality Assurance and formed a part of Corporate Buying. In other countries, the Head of Quality Assurance/CR and other employees are generally entrusted with functions relating to CR. The CR managers responsible for this area are in close communication with Corporate Buying and Quality Assurance, and with other departments and working groups. This includes Human Resources (HR), Corporate Communication, Sales and Logistics. A total of 67 employees now deal with the range of topics associated with CR at the ALDI North Group.

The company ALDI CR-Support Asia Ltd. with registered office in Hong Kong was also established during the course of the reporting year (see page 40). The company will work together with suppliers and will visit the production facilities operated by our suppliers.

The CR Policy, the Social Compliance Programme and a number of purchasing policies create the framework for the CR activities of the ALDI North Group. Country-specific objectives or regional projects in certain areas such as food donations are organised within this framework.

In addition to the CR department, a wide range of topics relating to sustainability are also dealt with in other departments, specialist departments and in working groups. These entities work on company-related topics, develop strategic initiatives, set up pilot projects and roll out these activities. A recent example is provided by a project for optimising cooling technology (see page 70).

Stores and employees

Total number of stores and number of employees (headcount) by gender and region on the reporting date 31 December.

	2014		2015		
	Number of stores	Number of employees	Number of stores	Number of employees	of which female ¹
Belgium/Luxembourg ²	460	6,116	461	6,256	4,452
Denmark	227	1,985	220	2,037	1,051
Germany	2,387	29,568	2,339	31,429	22,521
France	908	6,947	899	7,420	4,533
Netherlands	500	5,859	498	6,291	3,893
Poland	93	871	105	1,160	1,002
Portugal	47	484	47	613	416
Spain	245	2,463	260	2,973	1,889
ALDI North Group	4,867	54,293	4,829	58,179	39,757

¹ A breakdown by gender is only possible from 2015.

² ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).



Contactless payment at the ALDI North Group in Denmark and Germany since 2015

GRI G4-24, G4-25, G4-26, G4-27

Sector and multistakeholder initiatives

Information on our participation in initiatives and associations relevant to CR is provided online and with reference to specific topics in the following sections.

GRI G4-24, G4-26, G4-27

IN DIALOGUE

The continuous dialogue with our stakeholders provides us with important indications for the strategic alignment of our corporate responsibility. In the past, we used to derive valuable information on our product-range selection or our new store concept from direct contact with our suppliers or from the outcome of our market research (see page 71). In 2015, we evaluated the strategic importance of our stakeholder groups within the framework of a sustainability analysis process for the first time as we prepared to draw up this report. This analysis took into account the degree of influence exerted by our stakeholder groups on the ALDI North Group – or alternatively how much influence we exert on the stakeholder groups – and the potential for conflict was also assessed.

EXCHANGE OF IDEAS WITH THE MOST IMPORTANT STAKEHOLDER GROUPS

This evaluation indicates that the most important stakeholder groups are customers, employees, non-governmental organisations (NGOs), initiatives and associations, suppliers and business partners, and members of works

councils and unions. We also keep our sights on other stakeholders like media, government and local residents.

We communicate regularly with the following stakeholder groups:

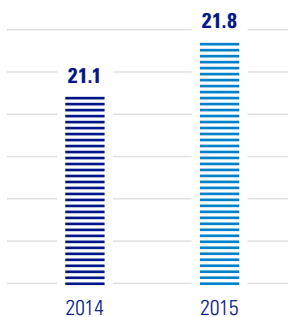
- In-house media like ALDI aktuell (ALDI In-forms) and our websites are the primary point of contact for customers (see page 52).
- We use different tools to keep employees of the ALDI North Group informed, for example the newsletter (see page 61).
- We have discussions with NGOs and other organisations primarily about [sector and multistakeholder initiatives](#). Representatives from the ALDI North Group are actively engaged in this area.
- We are in continuous dialogue with suppliers. One of the topics relates to making the structure of the supply chain more sustainable (see page 24).
- As we made preparations for the report, we communicated strategically with employees, suppliers and the works council of a regional company. In addition, we evaluated more than 800 enquiries from customers, the media and NGOs.

GRI G4-24, G4-26, G4-27

Compliance

The concept of compliance covers all the measures which are intended to ensure that a company, its governance bodies and its employees all act in accordance with the statutory legislation, and that all legal obligations and prohibitions, internal company regulations (for example CR), contractual provisions defined by third parties (Codes of Conduct), or voluntary obligations (for example codes from sector initiatives) are observed.

Net sales of the ALDI North Group



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

The issues expressed by these stakeholders were channelled into the materiality analysis and the CR work of the ALDI North Group. One example of a key issue for our stakeholders in the reporting year is the issue of chemical residues in (children’s) clothing and shoes. We are addressing this challenge with a voluntary commitment to support the targets of the Detox campaign (see page 36).

UNIFORM COMPLIANCE MANAGEMENT

Our core values – simplicity, responsibility and reliability – also describe the interpretation of **compliance** at the ALDI North Group. The following statement is made in our mission statement “Simply ALDI”: “We keep our word.” We perceive ourselves as “real traders”. Business decisions always have to be made on the basis of factual considerations.

We therefore expect our employees and business partners to uphold laws and to conduct compliance in conformity with regulations. The ALDI North Group therefore has a complex set of rules and regulations. The compliance management system is currently being restructured and underpinned with enhanced prevention mechanisms. The Chief Compliance Officer and the Compliance Committee are responsible for the restructuring. The compliance management system is also extended in appropriate form to other countries in the ALDI North Group.

BAN ON PERSONAL ADVANTAGE

The employees of the ALDI North Group find clear rules for ethically impeccable conduct in our guiding principles. In 2015, the conduct guideline on preventing personal advantage and granting of advantages came into force. This established a ban on giving or accepting benefits. Managers are responsible for compliance with the rules defined in the mission statement and leadership principles. Appropriate checks and balances governing compliance with our conduct guidelines are also part of our compliance management system.

COMPLIANCE TRAINING SESSIONS AND GRIEVANCE SYSTEM

Employees in the departments of Corporate Buying, including Quality Assurance, CR and Corporate Communication regularly receive training sessions on topics like antitrust law, unfair competition, protection of company and trade secrets, avoidance of corruption and the requirements of the Supply Chain Initiative (SCI). Training sessions

on these issues are also carried out in other countries where the ALDI North Group is operating. Further information on the Supply Chain Initiative is provided online.

New employees receive training courses on the important guidelines applied in the ALDI North Group. Since 2015, employees in the Netherlands have been able to use a grievance system in cases of sexual harassment, bullying, discrimination, aggression and violence (see page 59). All employees were informed about the system. Their attention was also drawn to the possibility of involving an external ombudsman.

CLEAR RULES FOR SUPPLIERS AND EMPLOYEES

The General Terms and Conditions of Purchasing define clear rules for the relationship between suppliers and the ALDI North Group. The General Terms and Conditions of Purchasing prohibit business practices restricting competition on the part of suppliers and manufacturers, define generalised compensation for damages and set out requirements for compliance by contractual partners. There is also a Code of Conduct for service providers which defines rules for provision of construction, works and services commissioned by the ALDI North Group. However, as far as we are concerned sanctions are only a means of last resort in the interests of cooperation in a partnership. The focus is on a joint search for solutions.

The ALDI North Group is a price leader. The objective is to always offer high-quality products at low prices. We have high standards for the quality of our products and we often go beyond the statutory requirements for labelling (see page 44).

Section verified

CR Programme



Field of Action Supply Chain Responsibility

Objective	Target date	Target value	Target relevance
All production facilities located in BSCI risk countries, which manufacture non-food own-brand products for the ALDI North Group, have a valid and adequate social audit (Business Social Compliance Initiative – BSCI)	2019	100 %	ALDI NORTH GROUP
Integration of selected production facilities for non-food own-brand products into the qualification programme ALDI Factory Advancement (AFA) Project for improving the working conditions by means of dialogue promotion between workers and managers in Bangladesh	Ongoing	Continuation and expansion	ALDI NORTH GROUP
Establishment and management of a dedicated inspection process in Asia	2017	Completion of the testing process and implementation of the inspections	ALDI NORTH GROUP
Provision of verification for a social evaluation (GRASP or comparable) of all producers (growers) of fruit and vegetables	2018	100 %	ALDI NORTH GROUP
Ban on specific groups of substances in the manufacture of own-brand products in the product groups of clothing, home textiles and footwear (ALDI Detox Commitment)	2020	100 %	ALDI NORTH GROUP
Preparation and publication of an International Cotton Purchasing Policy	2017	Purchasing policy	ALDI NORTH GROUP
Preparation and publication of an International Coffee Purchasing Policy	2016	Purchasing policy	ALDI NORTH GROUP
Preparation and publication of an International Wood, Board, Paper Purchasing Policy	2017	Purchasing policy	ALDI NORTH GROUP

Objective	Target date	Target value	Target relevance
Conversion to 100 percent physically RSPO-certified palm oil for own-brand food products containing palm oil (Roundtable on Sustainable Palm Oil – RSPO)	2018	100 %	ALDI NORTH GROUP
Expansion of the ALDI Transparency Code (ATC) to include own-brand products in the standard and special-buy product range in two additional product groups, including fish and products containing fish, alongside meat products	2016	Two additional product groups	GERMANY
Conversion to certified resources (UTZ, Rainforest Alliance, Fairtrade) for own-brand products with a substantial proportion of cocoa in the standard and special-buy product range within the defined scope of application ¹	2017	100 %	ALDI NORTH GROUP

¹The scope of application comprises all own-brand products containing cocoa in the product ranges confectionery (sweet bakery products, pralines, chocolate, seasonal products), cereals and ice cream, and other own-brand products with significant cocoa content (for example spreads, chocolate coatings). Special-buy products with cocoa content are also being converted completely to sustainably certified quality standards.



Field of Action Resource Conservation

Objective	Target date	Target value	Target relevance
Introduction of LED lighting in all new stores (interior and outdoor lighting), and review of conversion of existing stores in the portfolio and distribution centres to LED lighting	2019 (and ongoing)	100 %	ALDI NORTH GROUP
Increasing the proportion of stores which are equipped with photovoltaic systems	Ongoing	Continuation and expansion	ALDI NORTH GROUP
Development of a concept for recording, analysing and reducing greenhouse gas emissions	2017	Concept	ALDI NORTH GROUP
Development of a concept for introduction of an energy monitoring and management system	2017	Concept	ALDI NORTH GROUP

Objective	Target date	Target value	Target relevance
Increasing the own-use rate for the energy generated in-house by photovoltaic systems at stores by combination with concepts for integrated cooling and heating plants, and demand-led alignment of the photovoltaic systems	Ongoing	Continuation and expansion	GERMANY
Review of alternative drive concepts for use in logistics processes	2017	Review	GERMANY
Introduction of a nationwide, digitised monitoring system for cooling systems, in order to achieve emission reductions by optimised leakage rates and/or more environmentally benign refrigerant	Ongoing	100 %	GERMANY
Gradual conversion of all plug-in chillers and freezers to the refrigerant propane (R290) with very low Global Warming Potential (GWP)	Ongoing	100 %	GERMANY
Review of the introduction of alternative, more sustainable carrier-bag concepts	2016	Review	GERMANY



Field of Action Social Commitment &



Field of Action Dialogue Promotion

Objective	Target date	Target value	Target relevance
Development of pilot projects for sustainable consumption	2018	Project	GERMANY
Introduction of a guideline for dealing with food that is no longer saleable in the stores	2017	Preparation and introduction	ALDI NORTH GROUP
Expansion of the dialogue with major stakeholder groups	Ongoing	Participation in sector initiatives	ALDI NORTH GROUP

Standards for sustainable purchasing

RESOURCES & SUPPLY CHAIN



Materiality

Relevant results of the materiality analysis:

- Top 1 topics: Social & environmental standards for purchase of food and non-food

GRI aspects:

- Products & services
- Supplier environmental assessment
- Freedom of association & collective bargaining
- Animal welfare

RESPONSIBILITY IN THE CORE BUSINESS

Retail in food and consumer goods is the core business of the ALDI North Group. We have always had clear ideas about quality, price and responsibility for our own brands. We are well aware that the manufacture of products is associated with social and environmental impacts. This is why we take responsibility in our supply chain. We have established this as a key element of our conceptual interpretation of sustainability within our Corporate Responsibility (CR) Policy (see page 15).

Around 93 percent of our product range is made up of own-brand products that we carefully select and design for our customers. This enables us to implement sustainability directly in the product. We define clear-cut requirements and therefore

exert an impact on the ingredients, product design and production conditions of our products. Some of the product labels, specified limits for compliance and inspections go significantly beyond the defined statutory requirements. We join forces with our suppliers to develop fair and safe working conditions, as well as environmentally friendly production and cultivation methods. This is because our objective is to enable millions of customers in Europe to shop in our stores with a good conscience.

JOINT COMMITMENT FOR SUSTAINABILITY AND QUALITY

Our suppliers are our most important partners in designing our product range. We work closely together with them in a trusting relationship over the long term. For this reason, we ensure



Koelverse herring fillets
The traditional classic fish dish
in the Netherlands

that we share our ideas of quality, responsibility and reliability. We join together and develop our social and environmental standards continuously, and convert our product range, if reasonable and possible, to more sustainable resources. The purchasing policies specifically for resources are one of the tools we use to carry out this conversion (see page 26). Our Social Compliance Programme (SC Programme) defines clear guidelines for suppliers governing the working conditions at the production facilities they place orders with (see page 38). The programme also defines the rules for verification of compliance. We participate in sector and multistakeholder initiatives in order to address overarching challenges. We have defined concrete targets for our engagement (see page 21); for example drawing up an International Coffee Purchasing Policy (see page 34).

We carefully select and design our product range for our customers.

Fish Purchasing Policy

For the precise requirements for catching wild fish and aquaculture, refer to the purchasing policy and the information on the website in the download area. The Animal Welfare Purchasing Policy is also relevant for fish and seafood.

DEFINING CLEAR REQUIREMENTS AND CHECKING COMPLIANCE

Before we adopt new sustainability requirements, we check that implementation is feasible with selected suppliers – for example drawing up the Animal Welfare Purchasing Policy. The requirements developed in this way become a fixed element in our purchasing processes and contracts. We define dependable objectives and provide our suppliers with as much time as possible to implement any changes. Suppliers have to document implementation of all objectives and evidence of this needs to be provided in random sample checks. Unannounced on-site visits are also carried out by accredited, independent inspectors, but also by our own experts.

The CR managers of the ALDI North Group are available as contacts for suppliers and buyers throughout the Group (see page 17). Conceptual initiatives are developed by the CR department at ALDI Buying. They coordinate the development and implementation of purchasing policies specific to resources and the SC Programme, and they are in continuous communication with the CR managers in the individual countries.

THE MOST IMPORTANT RESOURCES IN FOCUS

We deploy our own resources where the impact is greatest. To this end, we analyse our product offering from sustainability and risk perspectives. Which resources are subject to risks on account of their manufacturing and cultivation methods and are therefore a topic of debate in the public domain? What is frequently used in our product range or is in great demand? The result is that we achieve environmental, social and economic improvement in production for a maximally large number of own-brand products and the resources they are made of.

FISH AND SEAFOOD: PROTECTING STOCKS AND THE ENVIRONMENT, LABELLING PRODUCTS TRANSPARENTLY

Many natural fish stocks are under threat as a result of overfishing, illegal methods of catching fish and environmental impacts. In order to protect stocks and to be in a position to cover the demand for fish as a source of food over the long term, both catching fish in the wild and fish farming need to undergo change. We want to ensure a more sustainable approach to fish and seafood along the entire supply and production chain for our own-brand products. At the end



Our purchasing policies are a commitment to sustainability

By the end of the reporting period, we had published purchasing policies for specific resources relating to our own brands for fish, cocoa and palm oil. An Animal Welfare Purchasing Policy followed at the beginning of 2016. Other corresponding policy documents for coffee, wood, board, paper and cotton are being planned (see page 21). We use the purchasing policies to define clear requirements, targets and scopes, as well as responsibilities and monitoring measures. They are also binding for our buyers in tender and purchasing processes.

The suppliers of the corresponding products are committed to implementing the requirements of the relevant purchasing policies when they conclude a contract. We only work with business partners who act in accordance with our purchasing policies. These are applicable throughout the ALDI North Group – the International Animal Welfare Purchasing Policy is also supplemented by national policies. The companies in the ALDI North Group can also formulate their own more stringent targets in individual countries – in accordance with the targets of the ALDI North Group.

The content of the purchasing policies is reviewed each year and revised as necessary. Content requirements, facts and figures are always up to date. The latest research findings are also taken into account, alongside government policy initiatives, new legislation and internal CR requirements.



Certifications

Our sustainable, certified sources are the Marine Stewardship Council (MSC) for catching fish in the wild, Aquaculture Stewardship Council (ASC) for aquaculture, the EU organic logo and the global standard for “Good Agricultural Practice” (GLOBALG.A.P), which is also committed to improved conditions in aquaculture. More information on the organisations is provided in the Online Glossary.

of 2015, the proportion of [certified resources](#) in conformity with the Marine Stewardship Council (MSC), Aquaculture Stewardship Council (ASC), GLOBALG.A.P. or EU organic logo was nearly 33 percent throughout the entire ALDI North Group.

Our [Fish Purchasing Policy](#) lays the foundation for sustainable conversion of our product range. Suppliers are committed to comply with the core standards of the International Labour Organization (ILO) and the Code of Conduct of the Business Social Compliance Initiative (BSCI), as well as the specifications of the regional fishery management organisations. Particularly critical products are consistently delisted: for example species of fish which are categorised as endangered on international species protection lists, or were classified as protected, or protected for

parts of the year, and are not being sustainably fished. Since 2011, we have been continuously developing the Fish Purchasing Policy. An updated version was published in May 2015. A comprehensive revision is planned for 2016.

We support consumers with our [fish label](#) so that they can make an informed purchasing decision. The label provides information about the precise species of fish, wild stock or aquaculture, as well as the method, area and time of fishing. In the case of aquaculture, there is also information about the country where the fish was farmed and usually about the method of aquaculture. If possible, the customer is also provided with details about the fishing vessel and the port of landing. This label means that the ALDI North Group goes beyond the statutory requirements in most

Proportion of insourced certified sustainable fish products

Proportion of insourced own-brand products which are MSC, ASC, GLOBALG.A.P. or EU organic certified out of the total number of insourced fish products, broken down by type of certification (in percent)¹

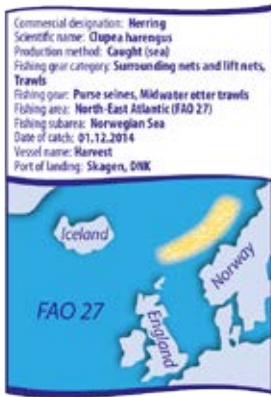
We measure our target attainment on the basis of the proportion of certified products.

	2014					2015				
	Total	of which MSC	of which ASC	of which GLOBAL G.A.P.	of which EU organic logo	Total	of which MSC	of which ASC	of which GLOBAL G.A.P.	of which EU organic logo
Belgium/Luxembourg ²	25.0	77.7	5.6	16.7	–	32.4	82.6	8.7	8.7	–
Denmark	39.1	88.8	5.6	5.6	–	56.9	72.4	6.9	20.7	–
Germany	53.4	77.7	4.8	14.3	3.2	70.6	64.0	10.1	22.5	3.4
France ³	19.3	94.1	–	5.9	–	17.9	85.0	5.0	40.0	–
Netherlands	42.7	74.0	12.0	14.0	–	47.4	67.3	16.4	14.5	1.8
Poland	33.3	87.5	6.3	6.2	–	35.8	73.7	10.5	21.1	–
Portugal	28.2	90.9	–	9.1	–	25.0	76.9	–	23.1	–
Spain	10.9	85.7	–	7.1	7.2	10.9	76.9	–	15.4	7.7
ALDI North Group	27.3	79.4	7.3	11.3	2.0	32.9	71.7	11.5	17.3	2.6

¹ Products that have been certified with several seals of approval are listed in the breakdown under all the relevant categories, but the product is only counted once in the total number of products. The total sum of all the breakdowns can therefore exceed 100 percent.

² ALDI Belgium and ALDI Luxembourg are legally independent companies (see “About this Report”, page 84).

³ For 2014, no complete data is available for the purchased GLOBALG.A.P.-certified fish products in France.



Fish label

From the species of fish to the fishing vessel

countries where the Group is operating. All fishery products and seafood, and all products containing fish – in Germany for instance tuna pizza, paella and salads bear this label. We are planning expansion of the ALDI Transparency Code (ATC) to these product groups in the near future so that the supply chain is digitally traceable (see page 52).

We are continually developing our purchasing policy and we also communicate with experts from non-governmental organisations (NGOs), researchers and representatives of the German fishery and fish wholesalers. In cooperation with the Buying department, the CR department continually analyses the entire fish product range on the basis of defined criteria, such as the fishing methods. The results are used to find more sustainable alternative products over the short to medium term or to initiate delisting. DNA analyses on a random sample basis at ALDI Buying are used to determine the fish species. This process has been carried out at ALDI France for all fish and seafood products since 2013.

ANIMAL WELFARE: PURCHASING POLICY DEFINES STANDARDS

Species appropriate husbandry of livestock is the focus of a debate within the community which is unfolding in different ways across the countries where the ALDI North Group is operating. A lot of own-brand products from the ALDI North Group contain resources of animal origin. We are therefore responsible for working together with suppliers to establish and develop animal welfare standards. Over recent years, we have already implemented various measures throughout the ALDI North Group in order to achieve this objective, which go beyond the statutory requirements. In January 2014, for example, we excluded angora wool from our stores. In March 2015, we made a public declaration about ceasing to trade in goods containing real fur in compliance with the international “Fur Free Retailer” Programme.

Since the beginning of 2016, the International Animal Welfare Purchasing Policy has provided a binding framework. This policy applies to all products of the ALDI North Group food and non-food own brands containing resources of animal origin. We formulate our requirements in the purchasing policy to define selection of products in our range, transparency, traceability, checks and inspections. The policy specifies that we continuously expand our animal welfare activities and engage proactively in a sector-wide dialogue such as we are fostering in the scope of our engagement with the “Initiative Tierwohl” (Animal Welfare Initiative) in Germany (see page 29).

The International Animal Welfare Purchasing Policy applies in all the countries where the ALDI North Group is operating. The companies have the opportunity to establish requirements and aspirations on an individual basis and therefore align the purchasing policy with the national market conditions. We are therefore in a position to meet the varying expectations of consumers or NGOs, and the statutory regulations in the countries concerned. In Germany, the Netherlands and Denmark, we have already adopted National Animal Welfare Purchasing Policies. We will be publishing similar policies in Belgium in 2016.

Over recent years, the debate about animal welfare has been particularly intense in Germany, the Netherlands and Denmark. Our stakeholders confront us with specific demands in this area which are higher than the expectations in other

Campaign “Think Fish Week” in the Netherlands and Belgium



In September 2015, ALDI Netherlands participated in a joint initiative of the MSC, the ASC and the World Wide Fund for Nature (WWF). Under the slogan “Think Fish Week”, consumers were informed about how they could identify products from verifiably more sustainable fishing (MSC) or more responsible fish farming (ASC). The campaign was promoted with an online brochure, through the customer magazine ALDI aktuell and in the stores. ALDI Belgium also informed its customers about the campaign.

countries. During the reporting period, we have implemented additional measures in these countries and formulated challenging targets.

ANIMAL WELFARE COMMITMENT IN GERMANY: PROVIDING TRANSPARENT INFORMATION AND ADDRESSING CRITICAL ISSUES

In 2004, The ALDI North Group was the first company in German food retailing to stop selling eggs from caged birds or small-group housing systems. We have also defined a negative list which excludes the sale of specific goods. These include:

- Meat, down or feathers obtained using forced feeding and live plucking
- Wool obtained using the mulesing procedure
- Rabbit meat
- Quails or their eggs
- Lobster, eels, shark and fish species which are classified on international species protection lists as “endangered and protected” or “partially protected”.

We expect the seamless traceability of the origin of our products, as partially stipulated by law. Our business partners must go beyond the statutory regulations, present these records to the ALDI North Group immediately upon request, and they must have put in place appropriate procedures for this purpose. The ATC enables us to help customers in Germany to check the origin of products already in the store (see page 52). In addition, we work together with the “Verein für kontrollierte alternative Tierhaltungsformen” (KAT – Association for Controlled Alternative Animal Husbandry) which monitors the origin of organic, free-range and barn eggs. The KAT requirements extend beyond the statutory criteria and include aspects of animal protection. Any customer can go to www.was-steht-auf-dem-ei.de (“What is on the egg?”) and find out detailed information about the producer’s business.

The [ALDI North Group in Germany](#) is planning to further intensify its cooperation with suppliers on additional critical aspects to drive forward improvements in animal welfare. These aspects include slaughter of pregnant cows, dehorning of cattle and tail docking in piglets. In Germany, the sale of shell eggs from laying hens that suffered beak shortening will also be banned in 2017.

Animal Welfare Purchasing Policy

Our Animal Welfare Purchasing Policies are available online. They apply to:

Food products:

- Meat products from all animal species
- Eggs
- Products with processed eggs
- Milk and dairy products
- Fish and seafood

Non-food products:

- Textiles, small leather goods and shoes
- Cosmetics

National purchasing policies

All the targets from the National Purchasing Policy Germany are provided online.



Animal Welfare Initiative

The ALDI North Group is a founding member of the “Initiative Tierwohl” (Animal Welfare Initiative). Since January 2015, the collaboration between retail, academia, animal welfare campaigners, and pig and poultry producers in Germany has been working to improve conditions in the husbandry of pigs and poultry.

The initiative develops quantifiable animal welfare criteria which extend beyond the statutory regulations. A certification process was also introduced. Farmers who voluntarily implement specified measures receive an animal welfare allowance independently of market price. The additional cost for the livestock producers is financed by all the participating food retailers. The ALDI North Group pays a fixed amount of four cents per kilo of pork or poultry meat sold to the animal welfare fund set up by the initiative.

One year after the launch of the initiative, twelve million pigs as well as 255 million chickens and turkeys in around 2,900 businesses are already benefiting from the advances.

Proportion of KAT-certified shell eggs

Proportion of KAT-certified shell eggs out of the total number of insourced shell eggs (in percent)¹

The proportion of KAT-certified shell eggs amounts to around 99 percent. The increased proportion of KAT-certified shell eggs is due to introduction of the requirement in Belgium at the beginning of 2015.



The KAT requirements extend beyond the statutory criteria.

	2014	2015
Belgium/Luxembourg ²	9.1	86.0
Germany	100.0	100.0
Netherlands	100.0	100.0
Poland	23.9	34.4
ALDI North Group	97.8	99.1

¹ KAT certification is not used in all countries. Only the countries where this system is used are therefore listed here.

² ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

Beter Leven

A product can be awarded from zero to three stars. The more stars awarded, the more animal friendly is the production. Three stars correspond to Dutch organic production.

NETHERLANDS: QUALITY LABEL FOR MEAT PRODUCTS AND ANIMAL WELFARE CAMPAIGNS

At the beginning of 2016, ALDI Netherlands also published a National Animal Welfare Purchasing Policy. In the Netherlands, we use the "Beter Leven" quality seal ("Better Living") from the Dutch animal protection association. This seal labels products containing resources from animals or processed animal resources, which meet specific animal welfare criteria. Our objective over the long term is for all the relevant products at ALDI Netherlands to at least meet the criteria of the One Star "Beter Leven" quality seal. Starting in 2016, the first products with the quality seal will be on sale. By the end of the year, we will have replaced our entire product range of fresh chicken meat in the Netherlands with meat from a slower growing breed – or by meat which meets the criteria of the One Star "Beter Leven" quality seal. The target by then is for fresh pork in our standard range to meet the One Star criteria.

ALDI Netherlands works together with suppliers and NGOs through national sustainability campaigns to achieve improvements in animal

welfare. The National Animal Welfare Purchasing Policy was agreed with the Dutch animal protection association and they are going to work together to evaluate the policy every year.

DENMARK: BAN ON SPECIFIC ANIMAL PRODUCTS

The National Animal Welfare Purchasing Policy of ALDI Denmark was published in spring 2016. We also ban the sale of specific goods there by a negative list. These include rabbit meat, quails and their eggs, as well as wool obtained in conjunction with the mulesing procedure. The sale of lobster will also be banned in the near future.

GENETIC MODIFICATION: BAN IN PRODUCTS AND FEEDSTOCKS

In the European Union (EU), there has been a requirement to label genetically modified organisms (GMO) for some years now. In France, products containing GMOs are prohibited by law. Hence, the labelling requirement is not applicable there. The suppliers of the ALDI North Group are obliged to guarantee that their goods do not contain or consist of GMO ingredients, and that they are not

Palm Oil Purchasing Policy

The International Palm Oil Purchasing Policy is provided online.

It applies to all our food and non-food own-brand products for which palm oil is used in the production process.



Ambiente chocolate

Milk or dark chocolate from Belgium with organic and Fairtrade mark

produced with genetically modified food ingredients, additives or other substances according to EU legislation. This applies to all food products sold by the ALDI North Group and includes all upstream stages in the production process. The suppliers must also keep all the appropriate declarations and laboratory analyses and disclose them for audits. However, labelling in conformity with EU legislation does not require disclosure of any information in the end product relating to the feedstocks used. The ALDI North Group in Germany therefore uses the "Ohne GenTechnik" seal (Ohne Gentechnik = no genetic engineering) from the "Verband Lebensmittel ohne Gentechnik" (VLOG – Industry Association Food without Genetic Engineering) (see page 51), which provides information on this issue. During the reporting year, twelve products were labelled with the VLOG seal.

PALM OIL: CONVERSION OF THE STANDARD PRODUCT RANGE TO CERTIFIED SOURCES

Palm oil is very versatile and is therefore used in numerous products – from detergents, through cosmetics, to cake icing and glazes. However, in many areas of cultivation in South-east Asia the production of palm oil results in negative environmental and social impacts. Rain forests are destroyed to make way for palm oil plantations, animal species lose their habitats and indigenous people lose their way of life and means of existence. However, replacing palm oil is anything but easy – the oil palm is the most productive oil fruit worldwide. The ALDI North Group has therefore been committed to more sustainable and environmentally friendly cultivation methods through its International [Palm Oil Purchasing Policy](#)

Proportion of certified palm oil

Proportion of the total volume of palm oil used to manufacture our food and non-food products which was certified in conformity with a physical RSPO supply chain system (in percent)¹

In 2015, the proportion of physically certified palm oil (including palm kernel oil and derivatives) went up to nearly 77 percent compared with the previous year. The amount of palm oil used over the same period came down from more than 44,000 metric tons to around 39,600 metric tons in 2015. One of the reasons for the fall was the International Palm Oil Purchasing Policy introduced in 2015. Since the data for 2014 were not yet fully available, the proportions are not directly comparable with each other.

	2014	2015
Belgium/Luxembourg ²	63.6	77.7
Denmark ³	n/a	30.1
Germany	87.7	86.7
France	52.7	66.5
Netherlands	29.8	71.4
Poland	73.5	78.7
Portugal	59.2	62.7
Spain ³	n/a	36.9
ALDI North Group	71.7	76.8

¹ Some of the data are based on extrapolations.

² ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

³ Data are only available from 2015 (n/a = not available).

Certification

Palm oil products can be physically RSPO-certified if they meet the requirements of one of the three supply chain systems Identity Preserved (IP), Segregation (SEG) or Mass Balance (MB). More information is provided in the Online Glossary.

introduced in 2015. In future, we will have certified all our own-brand food products in the standard product range containing palm oil that are sold in our stores. The platform is provided by [physical certification](#) in conformity with the Roundtable on Sustainable Palm Oil (RSPO). Over the long term, we are planning to source the highest possible proportion through the two segregated supply chain systems which require strict separation of sustainable from non-certified palm oil.

Since 2015, we have been a member of RSPO and we use this forum to make a contribution to environmentally friendly agricultural use in the cultivation of oil palms. Principles and criteria for the production of palm oil using environmentally friendly and ethical methods are worked out in the dialogue with NGOs, palm oil producers and trading companies. We require our suppliers to join the RSPO as well. Furthermore, they


are obliged to verify certification of the supply chain, which also applies to the final production facility prior to delivery. Since 2014, we have been carrying out annual supplier surveys so that we are in a position to check the status of implementation.

Since the end of 2015, the ALDI North Group has only been sourcing physically RSPO-certified palm oil for own-brand food products in Germany. Our commitment has been acknowledged by external stakeholders. The ALDI North Group is listed in the upper mid-range on the Palm Oil Scorecard 2015 by WWF Germany. At the beginning of 2016, ALDI Netherlands was able to verify a proportion of 90 percent of physically RSPO-certified palm oil for own-brand food products. Discussions are currently being held there with suppliers in order to convert the final ten percent.

Proportion of certified products containing cocoa

Proportion of insourced own-brand products containing cocoa with certified sustainable cocoa out of the total number of insourced products containing cocoa, broken down by type of certification (in percent)

At the end of 2015, we had converted around 49 percent of own-brand products containing cocoa completely to certified resources throughout the ALDI North Group. At the end of 2015, ALDI Netherlands had already converted around 78 percent of its total product range (including special-buy products) to certified resources.

	2014				2015 			
	Total	of which Fairtrade	of which UTZ	of which Rainforest Alliance	Total	of which Fairtrade	of which UTZ	of which Rainforest Alliance
Belgium/Luxembourg ¹	8.7	10.0	90.0	–	20.0	1.9	98.1	–
Denmark	40.9	–	100.0	–	73.5	–	100.0	–
Germany	56.8	–	100.0	–	77.0	0.9	99.1	–
France	20.0	–	100.0	–	23.9	–	100.0	–
Netherlands	53.3	–	100.0	–	77.5	3.6	96.4	–
Poland	49.2	–	100.0	–	69.7	–	100.0	–
Portugal	51.5	–	100.0	–	68.5	–	100.0	–
Spain	36.1	–	100.0	–	55.4	–	99.4	0.6
ALDI North Group	32.3	0.5	99.5	–	48.9	1.9	97.9	0.2

¹ ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).



Standards

More information on the certification standards and seals is provided in the Online Glossary.

Cocoa Purchasing Policy

The International Cocoa Purchasing Policy is provided online.

COCOA: IMPROVING THE FRAMEWORK CONDITIONS FOR SMALL FARMERS AND ECOSYSTEMS

The ALDI North Group sells numerous products containing cocoa. Most cocoa is cultivated by small farmers and their families in West Africa, and sold to cooperatives. However, in many places the small farmers lack the knowledge and the opportunities to work successfully in accordance with environmental, ethical and business standards. We would like to make a contribution to preserving ecosystems and improving the living conditions of the people involved in cultivating cocoa. At the same time, we are also in a position to safeguard cocoa stocks in the future and preserve them as a basis for our products. Our International [Cocoa Purchasing Policy](#) is applicable throughout the ALDI North Group and we have therefore defined our target in this policy as converting our own-brand products containing

cocoa to sustainably certified resources by the end of 2017. This applies to confectionery (sweet bakery products, pralines, chocolate, seasonal articles), cereals and ice cream, and other own-brand products with significant cocoa content (for example spreads, chocolate coatings). We require suppliers of our own-brand products to comply with the [Fairtrade](#), [Rainforest Alliance](#) or [UTZ Certification Standard](#).

We deployed various measures internally and externally to highlight the publication of the International Cocoa Purchasing Policy in 2015. These activities will be expanded continuously, for example we are promoting certified products in our customer magazine ALDI aktuell. We have been a member of the initiative "Forum Nachhaltiger Kakao" (FNK – German Initiative on Sustainable Cocoa) since March 2015 and we are making use of the association as a communication platform.

Proportion of insourced certified and verified sustainable coffee

Proportion of insourced certified or verified sustainable coffee out of the total weight of insourced coffee for own-brand products (in percent)

In 2015, a total of around 13 percent of the insourced coffee was certified with the standards specified above. The biggest proportion here was attributable to 4C verification (around 49 percent), followed by the Rainforest Alliance certification (around 21 percent) and the EU organic logo (around 18 percent).



Markus Coffee Dark from Poland

We define premium quality ourselves.

	2014	2015 ☺
Belgium/Luxembourg ¹	5.0	5.6
Denmark	5.6	7.6
Germany	15.6	18.6
France	3.4	3.1
Netherlands	4.1	4.5
Poland	3.6	4.7
Portugal	8.8	12.5
Spain	11.6	15.1
ALDI North Group	10.8	12.8

¹ ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).



Økolivet – our own brand for organic products in Denmark

Biodiversity

The term biodiversity or biological diversity stands for a well-balanced and functioning environment that is based on the diversity of the environmental systems, genetic diversity and the abundance of species of animals, plants, fungi and microorganisms.

Fairtrade

More information is provided on Fairtrade online.

We are a member of the **4C ASSOCIATION** and support its sustainability approach. www.4c-coffeeassociation.org

4C Association

More information is provided on 4C Association online.

The FNK is striving to improve the living conditions of cocoa farmers and their families, protect and preserve natural resources and **biodiversity** in the growing countries, and promote the cultivation and marketing of sustainably produced cocoa. As a member of the FNK, the ALDI North Group is committed to reporting about activities promoting sustainability in the cocoa sector. Furthermore, advances are regularly reviewed internally. This helps us to identify potential for further development of our International Cocoa Purchasing Policy.

COFFEE: INTERNATIONAL PURCHASING POLICY FOR SUSTAINABLE COFFEE BEING PREPARED

The cultivation of coffee provides the means of earning a living for around 25 million small farmers from Africa, Asia and Latin America. Numerous work processes on the route to the final product present social, environmental and economic challenges. Our objective is to provide support for coffee farmers by stimulating demand for responsibly produced products. To this end, we work together with recognised and established standards organisations like the [Common Code for the Coffee Community \(4C\) Association](#), TransFair (Fairtrade) and Rainforest Alliance. They empower coffee farmers through certification systems and qualification programmes to place their businesses in a better position from social, environmental and

economic aspects. Alongside the 4C membership logo, the EU organic logo, the Fairtrade mark as well as the Rainforest Alliance Certified™ seal are represented. In future, we are planning to strengthen our commitment to sustainability within our range of coffee products. In 2016, we will be working out an International Coffee Purchasing Policy as a first stage. This will steer and expand the conversion of our product range to sustainable coffee (see page 21).

FAIRTRADE: PROMOTING SOCIAL AND ENVIRONMENTAL STANDARDS IN THE SOURCING OF RESOURCES

Fairtrade represents better working and living conditions for small farmers and employees in Africa, Asia and Latin America. The cooperation with [Fairtrade](#) offers us an additional opportunity to promote social and environmental standards in global trading.

The ALDI North Group is planning to gradually expand the offering of Fairtrade products in the standard and special-buy product range. In 2015, we developed and launched our own brand FAIR (see page 50) in order to market Fairtrade certified products. Up to now, products under this brand are sold in Denmark, Germany and the Netherlands.

PRO-PLANTEURS supports cocoa farmers

The ALDI North Group is involved in the PRO-PLANTEURS project. This project was launched by members of the initiative “Forum Nachhaltiger Kakao” (FNK – German Initiative on Sustainable Cocoa) and the Ivory Coast government in 2015. The objective of the project is to professionalise cocoa-producing family businesses and farmers’ organisations, and to increase their income. The aim is to bring about an improvement in the nutritional and living situation. The project has a lifetime of five years and within this period the aim is to professionalise 20,000 family businesses and farmers’ organisations in the eastern and south-eastern regions of the Ivory Coast (Côte d’Ivoire) by providing training sessions and advice. The project is particularly focusing on young farmers and women. While the objective is to make cocoa production more attractive for young farmers, the project is also helping women to improve their income situation and to create a better nutritional foundation for their families. The project is being implemented with close integration of FNK members and the government of the Ivory Coast.

Proportion of insourced products with FSC® or PEFC-certified resources

Proportion of insourced own-brand products which are FSC® or PEFC-certified resources out of the total number of insourced own-brand products with constituent elements made of wood, board and paper, broken down by type of certification (in percent)

In order to identify potential for improvement, we calculate the proportion of wood, board and paper products and build a product database. In 2015, the proportion in Germany amounted to around 84 percent, in the ALDI North Group more than 41 percent.

	2014				2015			
	Total	of which FSC® pure	of which FSC® mix	of which PEFC	Total	of which FSC® pure	of which FSC® mix	of which PEFC
Belgium/Luxembourg ^{1,2}	24.3	30.6	20.4	49.0	24.8	41.5	12.3	46.2
Denmark	73.4	55.1	23.2	21.7	72.4	32.9	38.2	28.9
Germany	86.3	31.8	35.5	32.7	84.4	34.5	31.1	34.4
France	41.7	30.7	47.7	21.6	41.5	25.8	47.4	26.8
Netherlands	51.8	15.8	36.8	47.4	54.3	20.6	28.6	50.8
Poland	60.4	43.8	15.6	40.6	59.4	47.4	15.8	36.8
Portugal	66.2	40.0	26.7	33.3	60.2	37.5	21.4	41.1
Spain	31.2	41.7	33.3	25.0	42.6	32.6	15.2	52.2
ALDI North Group	39.1	34.1	37.9	28.0	41.3	30.9	36.7	32.4

¹ ALDI Belgium and ALDI Luxembourg are legally independent companies (see “About this Report”, page 84).

² Data for 2014 are partly based on extrapolations.



Tamara quince jam

This typical national jam is sold at ALDI stores in Portugal. The jam is also sold at our stores in Luxembourg.

GLOBALG.A.P.

GLOBALG.A.P. is a private organisation which has developed voluntary standards for certification of agricultural products (including fruit and vegetables, feedstock, animal husbandry, plants and seeds, aquaculture).



Certifications

Certifications by independent organisations such as the Forest Stewardship Council (FSC®), the Programme for the Endorsement of Forest Certification Schemes (PEFC), or the certification offices of the Blue Angel guarantee that the production and processing of wood, board and paper products are based on environmentally sustainable and socially ethical principles.

Detox

Detox is a campaign launched by the environmental protection organisation Greenpeace in July 2011. The campaign is dedicated to bringing the use of hazardous chemicals to an end in the textile industry. Participating companies sign up to a Detox Commitment in the form of an action plan to eliminate the use of undesired chemicals in their supply chain by 2020.

FRUIT AND VEGETABLES: CREATING A BROADLY BASED AWARENESS FOR SOCIAL STANDARDS

Fruit and vegetables constitute an important product group of the ALDI North Group. At the beginning of 2016, we introduced the evaluation tool GRASP (GLOBALG.A.P. Risk Assessment on Social Practice) with the aim of assessing social practices at the producers. The GRASP module is a complement to [GLOBALG.A.P. certification](#). It relates to occupational safety, health protection and social requirements of employees in agricultural businesses. GRASP is not a certification or social audit system but a complementary evaluation tool which is used in conjunction with a GLOBALG.A.P. audit. Already since 2008, most of the suppliers of the fruit and vegetables product group to the ALDI North Group have been contracted to have producer businesses certified in conformity with GLOBALG.A.P. The GRASP module empowers us to create awareness for social standards in the producer businesses. The GLOBALG.A.P. database enables us to audit the results of the GRASP evaluation and to identify the risks in the supply chain. We are able to counter these risks with selective measures. By 2018, all suppliers will have to submit GRASP or a comparable social evaluation (see page 21). At the end of 2015, the proportion of producer businesses evaluated in conformity with GRASP or businesses with a comparable social evaluation measured by the total number of producer business of fruit and vegetable suppliers which supply the ALDI North Group in Germany was nearly 27 percent.

WOOD, BOARD AND PAPER: TRANSPARENT PROCUREMENT SOURCES THANKS TO ACKNOWLEDGED CERTIFICATES

The ALDI North Group is increasingly using certified wood-based products in order to promote sustainable forestry. In 2017, we will publish an International Wood, Board, Paper Purchasing Policy (see page 21) that is binding throughout the group of companies. This will define clear requirements and targets in order to convert wood-based own-brand products in the standard and special-buy product range, as well as office material for our own use to certified resources. For this purpose, we take the [Forest Stewardship Council \(FSC®\)](#) standard or equivalent certifications as a basis, which guarantee traceability from the forest to the finished product.

Throughout the entire ALDI North Group, the customer magazine ALDI aktuell and – if available – travel magazine ALDI Reisen have been converted to FSC®-certified paper. The Blue Angel label is also used in Germany.

Alongside promotional flyers and customer magazines, in Germany we also converted most drinks cartons, office paper and stationery, cosmetic products, toilet tissue, and garden furniture and occasional small items of furniture to FSC® and PEFC-certified resources. Over the long term, we are striving to achieve complete conversion of these and other wood-based own-brand products in the standard and special-buy product range to sustainable resources.

COTTON: STEPS TOWARDS SUSTAINABLE IMPROVEMENT

We are one of the leading textile retailers in Germany. We also rank among the major textile providers in other countries where the ALDI North Group is operating. We take responsibility for the resources which are processed in our textiles. The cultivation of cotton is associated with social, economic and in particular environmental challenges, such as a high level of water consumption or the use of pesticides. We want to gradually promote textile products in the special-buy product range to sustainable cotton, if reasonable and possible. That is why we are committed in our CR Programme to developing a purchasing policy for sustainable cotton by 2017 (see page 21). Our special-buy product range already includes textiles containing certified sustainable cotton – including Fairtrade, the Global Organic Textile Standard (GOTS) and the Organic Content Standard (OCS). From 2016, we will also be gradually converting workwear to GOTS-certified cotton.

DETOX: ENVIRONMENTAL PRODUCTION STANDARDS FOR TEXTILE AND FOOTWEAR PRODUCTION

We have made a voluntary commitment to support the objectives of the [Detox campaign](#). Detox was set up by the environmental protection organisation Greenpeace in order to reduce the negative impact exerted on humans and the environment by production processes involving chemicals in the textile and footwear industry.

A comprehensive list of criteria was worked out in cooperation with Greenpeace in which challenging environmental requirements were defined for the production of textiles and footwear. On the basis of this voluntary commitment, we have defined the target for banning specific chemicals in textile and footwear production by 2020 (see online download ALDI Detox Commitment). A roadmap lists the necessary operational stages (see online at www.aldi-nord.de/oekologische-produktionsstandards.html).



It is our goal to achieve environmental, social and economic improvement in production for a maximally large number of own-brand products.

95%

The proportion of products traded from the product groups integrated in the SC Programme, which are produced at audited facilities in risk countries, amounts to 95 percent.

SA8000

The ALDI North Group accepts the SA8000 Certificate. This complies with all the fundamental requirements of the BSCI and the specifications which are based on a best practice approach.

The SA8000 is an international social standard of NGO Social Accountability International (SAI).

Suppliers

Our direct suppliers in the area of non-food are generally importers. They engage production facilities to produce the goods that we have commissioned.

BSCI risk countries

The definition of risk countries is compliant with the specifications of the BSCI: www.bsci-intl.org/resources/rules-functioning.

We are aware that there will be a protracted process until the understanding and acceptance for the Detox requirements has been internalised for all the stakeholders involved. This learning process depends on the cooperation and support of all the participants throughout the entire supply chain. The platform for successful implementation is provided by ongoing open and constructive discussions with Greenpeace.



FOR BETTER WORKING CONDITIONS IN THE SUPPLY CHAIN

Implementation of reasonable social standards is associated with challenges in many production countries. We expect our [suppliers](#) to guarantee fair and safe working conditions in production. Since 2008, we have participated in the Business Social Compliance Initiative (BSCI). We commit all our suppliers to compliance with the BSCI Code of Conduct (see information box). When implementing our requirements, we support them with the Non-Food Social Compliance Programme developed in 2014 for the entire ALDI North Group. The BSCI is of vital importance for our Social Compliance Programme.

NON-FOOD SOCIAL COMPLIANCE PROGRAMME

The Non-Food Social Compliance Programme (SC Programme) defines requirements for our suppliers and the production facilities in the [BSCI risk countries](#) which are commissioned by our suppliers for manufacture and finishing – in other words the processing to create the

finished product at the last production stage. The suppliers must be members of the FTA and participate in the BSCI. The production facilities used by them must have a valid BSCI audit or [SA8000](#) certification covering the entire contractual period. The quality of the audit result is of crucial importance for us. We expect our suppliers to commission production facilities that have achieved good to very good audit results or to provide proof that they are working together with the production facilities to implement the necessary corrective measures.

When we developed the SC Programme we started with textiles. Products from more than 16 product groups have now been integrated in the SC Programme, including footwear, electronics and toys. The remaining product groups will be integrated in the SC Programme in January 2017. We have defined this in our CR Programme (see page 21).

CLEARLY DEFINED REQUIREMENTS FOR OUR SUPPLIERS

The supplier must ensure before each order is commissioned that our requirements are complied with. Our buyers have compliance checked by the CR department. For example, the BSCI provides a database giving the opportunity of gaining a comprehensive insight into all past and present audit reports of the production facilities. The CR department checks all existing information for each submitted production facility and records an overall assessment. If the overall assessment is poor, no order is commissioned in the first instance. In such cases, the supplier must ensure that action plans are worked out for the necessary improvements and any problems in the production facilities are remedied. The ALDI North Group expects its suppliers to correct any defects as quickly as possible and to continuously improve the working and social conditions in the production facilities. Suppliers are not permitted to subcontract other production facilities without prior review and approval.

The approach for breaches of the SC Programme has been defined in writing and the procedures have been communicated internally and to suppliers. The severity and the frequency of any breaches of regulations are taken into account to the same extent as the joint responsibility of the supplier and the readiness of the supplier to cooperate. Potential consequences range from written warnings to – in the worst case scenario – termination of business relationships.

The role of the BSCI for the Non-Food Social Compliance Programme

The BSCI was established in 2003 by the Foreign Trade Association (FTA). As a FTA member, the ALDI North Group participates in the BSCI. The BSCI is an initiative by industrial and trading companies which is dedicated to the function of guaranteeing secure and socially ethical conditions within the supply chain. This joint understanding is defined in a Code of Conduct.

The BSCI Code of Conduct is based on numerous international agreements including the core conventions of the International Labour Organization (ILO) or the Universal Declaration of Human Rights by the United Nations (UN). This enshrines all eleven central employee rights, including the right to freedom of association and the right to participate in collective bargaining negotiations. It also excludes discrimination, child labour and forced labour.

POSITIVE CASCADE EFFECT IN THE SUPPLY CHAIN

All BSCI participants are themselves committed to compliance with the BSCI Code of Conduct and they in turn also demand compliance from their business partners. At the ALDI North Group, this requirement is defined contractually for all suppliers. The ALDI North Group suppliers in turn pass on the commitment to implement the Code to their suppliers. This creates a positive cascade effect along the entire supply chain.

AUDITING PRODUCTION FACILITIES

Compliance with the BSCI Code of Conduct is monitored and evaluated by on-site inspections known as audits. These are performed at defined intervals by SAAS accredited audit companies recognised by the BSCI. The auditors carry out tours of inspection of the production facilities, check the relevant documentation and interview selected employees. After the audit has taken place, the auditor then draws up a report on the defects identified and records the necessary improvements. If significant objections emerge as a result of the audit, the production facilities are required to develop remedial measures within a period of 60 working days. In this case, a follow-up audit is carried out within a period of one year. The ALDI North Group expects its suppliers to eliminate any defects as quickly as possible and provide regular status reports on the implementation status. Apart from the audits, the BSCI also offers a series of additional services, such as training sessions, and organises the exchange of information. It also promotes communication with local stakeholders on the ground and worldwide.

HARMONISED REQUIREMENTS AS A PLATFORM FOR IMPROVEMENTS

From the perspective of the ALDI North Group, the BSCI offers an effective initiative for improving the working and social conditions in the production facilities. Our participation in the BSCI generates a cascade effect which exerts a positive impact beyond suppliers to the ALDI North Group. The harmonised requirements and the joint approach adopted by all BSCI participants also reduces the expenditure for the players involved – for example by avoiding multiple audits.



Engaging in dialogue:
ALDI Factory Advancement Project



IMPROVING BUILDING SAFETY FOR TEXTILE PRODUCTION IN BANGLADESH

In May 2013, we signed the Accord on Fire and Building Safety in Bangladesh. From the perspective of the ALDI North Group, the accord is an important and fundamental step for improving the safety of workers in the textile sector in Bangladesh. The accord includes an agreement on independent safety inspections. The pooled commitment of the signatories from business and the community offers the opportunity to achieve the appropriate leverage for the necessary sustainable improvements in fire protection and in building safety in Bangladesh. All suppliers sourcing textiles for the apparel industry must sign the Accord in order to comply with our SC Programme.


ON-SITE PRESENCE: FURTHER DEVELOPMENT OF COOPERATION WITH SUPPLIERS IN ASIA

In 2015, we established ALDI CR Support Asia in Hong Kong. This provides operational support for the CR department of ALDI Buying in the production countries. The primary function is to carry out visits to production facilities together with our suppliers. This enables us to gain an impression of the conditions and advances of our suppliers at their local facilities. The other functions of

ALDI CR Support Asia include qualification of the suppliers and production facilities, as well as stakeholder management in Asia. ALDI CR Support Asia keeps the CR department continuously informed about its activities and findings. This means that the information can be recorded and integrated in purchasing decisions.

ENGAGING IN DIALOGUE FOR IMPROVED FRAMEWORK CONDITIONS: ALDI FACTORY ADVANCEMENT PROJECT

Our SC Programme is based on the effectiveness of standards, and checks and balances. Audits make a contribution to identifying problems and initiating improvements – however, they can only provide snapshots. In order to achieve sustainable changes, intensive cooperation is required in the production facilities that takes place in a spirit of cooperation. In 2013, we therefore joined forces with the ALDI SOUTH Group to launch the ALDI Factory Advancement (AFA) Project for production facilities in the apparel industry in Bangladesh. This is intended to bring about improvements in working conditions and is also supposed to help establish resilient social relationships in the production facilities. The AFA Project pursues a dialogue-based, cooperative approach. The aim is for workers and managers to build up social skills enabling them to communicate effectively with each other, and to develop the motivation to solve problems together efficiently. The central focus is dealing with conflict issues such as health protection and safety in the workplace, fire protection, pay, working hours and discrimination.

The initial project phase lasted two years and 20 production facilities were selected for this phase. These participants cover approximately 35 percent  of our purchasing volume of textiles for apparel in Bangladesh. Approximately 45,000 workers benefit from this programme. We analyse [the results of the programme](#) on a regular basis. The training sessions have already led to structural changes in the production facilities in some places. Fire protection installation and sanitary facilities have been modernised, drinking water facilities and cleaning systems have been refurbished, and the safety infrastructure

has been improved. Apart from structural and technical changes, the focus of the project is on dialogue about improved workflows. Employees and management report a reduction in the turnover rates and absences, alongside an increase in productivity and development of competence models. There is evidence that the ideas of the employees have been frequently integrated and communication has been improved.

In 2015, we extended the AFA Project beyond the original period. In the course of 2016, 20 additional production facilities shall be included in the programme. An alumni project is intended to contribute to using the experiences of former participants for the future, and to transform the dialogue culture into a fixed element of the everyday routine in the production facilities. Furthermore, implementation of additional social offerings like daycare provision for the children of employees is planned in cooperation with NGOs from Bangladesh such as Phulki and AWAJ.

TEXTILE PARTNERSHIP: ADDRESSING CHALLENGES TOGETHER

We are only able to tackle the multifaceted challenges in the textile industry in cooperation with other business enterprises, governments, NGOs and unions. In June 2015, we therefore joined the “Bündnis für nachhaltige Textilien” ([Partnership for Sustainable Textiles](#)) as the ALDI North Group. The alliance originates from an initiative of the German Federal Ministry for Economic Cooperation and Development (BMZ). Meanwhile, it unites more than half of all the companies in the German textile industry. The idea is for important players in the sales markets to come together in order to jointly address the social, environmental and economic challenges in the textile sector in the supply chain – such as guaranteeing living wages or reducing the use of chemicals. We hope that work on common standards and implementation requirements in the supply chain will lead to sustainable improvements and we therefore engage proactively in the working groups of the alliance.



Partnership for Sustainable Textiles
Structures, targets and action plan:
www.textilbuendnis.com

AFA Project

More information is provided online in the brochure “Insights & Results of the AFA Projects”.

We represent quality

— QUALITY

Materiality

Relevant results of the materiality analysis:

- Top 1 topic: Sustainable product-range selection (quality, safety, certification/seals)
- Top 3 topic: Traceability

GRI aspects:

- Customer health & safety
- Product & service labelling
- Products & services

ENSURING PREMIUM QUALITY – EVERY DAY

Our performance promise “the highest quality – the lowest prices” convinces our customers that high-quality products need not be expensive. We make no compromises when it comes to quality – neither in the production and taste of our food, nor in the functionality and safety of our non-food products. The quality of the own-brand products in the ALDI North Group is frequently confirmed in independent tests. Our customers appreciate this. In Germany, we are the retailer with the longest customer loyalty. 91 percent of our German customers have already been doing their shopping with us for ten years or more. In Belgium, 80 percent of consumers shop at our stores at least once a year.

Quality is a key element of the [buying policy](#) at the ALDI North Group and it is a well-established component in our mission statement “Simply ALDI” (see page 15). We have established comprehensive quality processes at all levels of our value chain in order to ensure that only high-quality products are presented on our shelves. We join forces with our suppliers to develop our own brands, implement high quality standards and align ourselves with the wishes and desires of our customers. For example, we regularly adapt the recipes of our food to modified nutritional requirements – both in terms of taste and considering the requirements of healthy diets. The continuous improvement in our product quality is the central ambition of our quality assurance.



We take random samples and measurements of the core temperature of all refrigerated articles when delivered to our distribution centres.

incoming-goods inspections and inventory checks in the distribution centres and stores. We also ensure maximum after-sales quality for our customers. We accept customer feedback and seek to provide our customers with the best possible solution. If customers make complaints we adopt a fair and tolerant approach.

THE HIGHEST STANDARDS HAVE BEEN ESTABLISHED THROUGHOUT THE ALDI NORTH GROUP

Clearly defined guidelines and responsibilities guarantee the highest quality standards throughout the ALDI North Group. The nine countries of the ALDI North Group are responsible for implementation of our quality standards. They ensure that specific national characteristics – for example requirements under statutory food regulations – are taken into account. Topics with overarching relevance, such as supplier certification, nutrition labelling or the Detox campaign (see page 36), are prepared by ALDI Buying and agreed throughout the ALDI North Group. Regular communication between the quality managers ensures that knowledge and experience are shared throughout the ALDI North Group. There is also close communication within the countries between Quality Assurance, Buying and the regional companies.

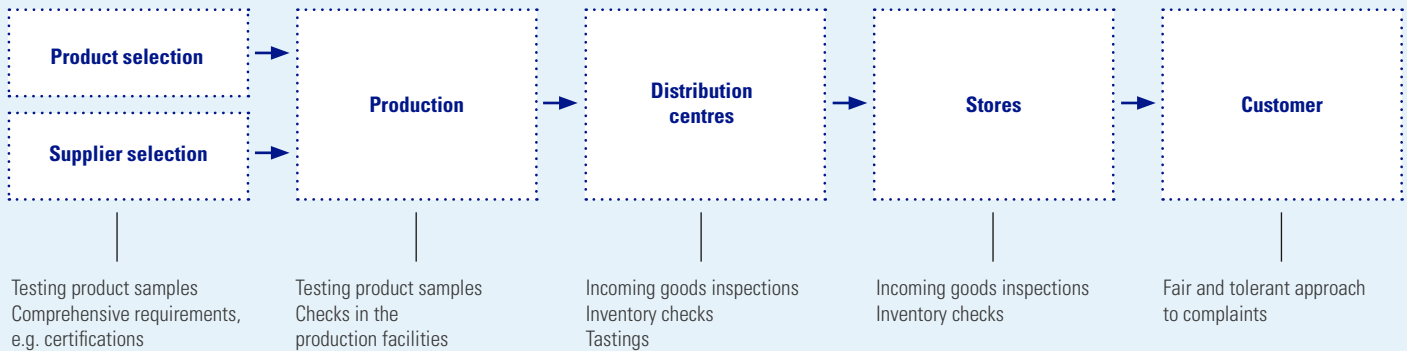
We are only able to fulfil the performance promise of the ALDI North Group nationwide if our high quality standard is put into practice by everyone involved in routine work within the company every day. All employees at the distribution centres and the stores regularly take part in training sessions. This training is used to gain a better understanding of operational hygiene measures and it can be supplemented with individual training sessions on merchandise knowledge or on the quality of individual product groups, such as fruit and vegetables, or other fresh products.

OUR BUYING POLICY



Every day, the ALDI North Group works behind the scenes to ensure that all products meet the very highest quality standards. In order to achieve this, we have implemented a multistage monitoring system in which quality managers, buyers, accredited independent testing labs, suppliers and warehouse and store employees are integrated. Each product is tested a number of times. Our suppliers are subject to comprehensive requirements. We deploy a range of different quality measures to check compliance with these quality standards, such as on-site checks, product samples and tastings. At the same time, tests are carried out on our products by testing labs. Test certificates confirm flawless quality. Complete quality assurance is ensured by comprehensive

Quality assurance in Germany (simplified presentation)



100%

is the share of food suppliers in Germany and the Netherlands which have a certification acknowledged by the Global Food Safety Initiative (GFSI).

ENSURING QUALITY OVER THE ENTIRE VALUE CHAIN

The quality assurance of the ALDI North Group in Germany covers all stages of the value chain: from the selection of products and suppliers, through manufacture and warehousing of goods, to sale in our stores. All the companies forming part of the ALDI North Group are focused on this process and take account of the specific framework conditions in their countries.

PRODUCT AND SUPPLIER SELECTION: STRINGENT STANDARDS DEMAND HIGH QUALITY

Our products can only comply with the highest requirements if all our suppliers share the same understanding of quality. When we put contracts out to tender we already define key quality parameters and provide our suppliers with transparent information about them. We develop some of our products in cooperation with suppliers. As soon as one of these products is ready to order, the quality aspects previously agreed on are defined in a contract. When the purchase order is placed, suppliers are committed to compliance with our quality, social and environmental standards (see page 24). We define strict benchmarks and demand significantly more quality aspects than those defined in the statutory regulations, for example in reducing the use of pesticides (see page 45, reducing pesticides and protecting bees) or additives (see page 52).

Our suppliers must guarantee to comply with all standards along the entire supply chain. This means that they must provide verification of their own processes for quality assurance and also take responsibility for ensuring that their upstream suppliers are aware of our standards and comply with them. We also require product samples to be tested by independent testing labs. For example, correct fit and colour fastness are tested for textiles, meat content and filling quantity are checked for meat salad. The supplier regularly submits the test results to the ALDI North Group. At the same time, we observe and track the latest events which might exert an impact on food quality or availability, such as reports on food adulteration. In these cases, Quality Assurance at ALDI Buying proactively launches special investigations for the affected products with independent testing labs.

The majority of our products have been awarded quality seals or seals of approval. Depending on the product group, we require a range of different certificates from our suppliers. Food suppliers must be certified in conformity with the [Food Standard of the International Featured Standards \(IFS\)](#) and must participate in unannounced IFS Food Checks. The requirements of the GLOBALG.A.P. apply to agricultural producers of fresh fruit and vegetables, and the standards of the QS Test System apply to fresh meat and sausages. Consumers can identify quality on the basis of acknowledged seals of approval on the products, including the GS test



Nusskati nut and nougat cream

The nut and nougat cream with shea butter and rapeseed oil

IFS Food Standard & Test Seal

The IFS Food Standard is an accredited standard of the GFSI for auditing food manufacturers. The focus is on food safety and quality of processes and products. The standard applies to processors of food and for companies in which unpackaged food is packed. Alongside the IFS Food Standard, we also use other standards for food safety in some of the countries where the ALDI North Group is operating, such as the British Retail Consortium (BRC) Global Standard accredited with the GFSI.

Explanations of further certification standards, test systems and seals are available in the Online Glossary.

label (Tested Safety) and the seal LGA tested/ LGA tested Quality. Quality Assurance at ALDI Buying keeps up with the latest developments through regular communication with organisations like GLOBALG.A.P. Quality managers are also actively involved in drawing up and developing these standards on the QS Specialist Advisory Council and the IFS Working Group.

MANUFACTURE: LOCAL CHECKS PROVIDE SECURITY

While production is in operation, the suppliers are responsible for taking appropriate measures in order to ensure a uniform high level of quality. Regular investigations by external specialist experts provide documentation for this. Suppliers of the ALDI North Group also have to allow checks at the production facilities while their facilities are in operation. This also applies to any upstream suppliers. One of these measures involves the quality managers and/or buyers of the ALDI North Group gaining an impression of the production conditions, the production setup and hygiene at the local facility. They demonstrate a local presence and strengthen supplier loyalty as a result.

We also introduce additional inspections of production facilities by external auditors where special events or circumstances make this advisable. If any doubts occur about compliance with our high quality requirements, the supplier must ensure that the relevant causes are clarified so as

to avoid this situation in the future. We strive to create long-term cooperation with our suppliers based on partnership – this is why we support them in identifying a solution if there are any problems.

INCOMING GOODS: INITIAL CHECKS IN THE DISTRIBUTION CENTRES

As soon as the goods have been supplied to the distribution centres, our regional companies take responsibility for quality testing. All the regional companies carry out their own incoming goods checks. Depending on the type of product, different quality attributes are tested. We also regularly use independent experts, particularly in the product group fruit and vegetables.

We apply a number of checks to test all food including any striking visual defects and – if necessary – the temperature. We also check filling quantities and packaging, as well as concrete details of minimum use-by date. Every delivery of fruit and vegetables is checked for issues like level of ripeness, rotting, and pest infestations. Damaged goods are rejected. We take measurements of the core temperature and document the results for random samples from deliveries of all refrigerated articles. Our employees carry out particularly careful checks on susceptible product groups. During downstream storage, the quality and freshness of the goods is continuously checked.



Reducing pesticides and protecting bees

Our suppliers must comply with strict regulations for the cultivation of fruit and vegetables. We always go beyond the statutory regulations in these areas. Since 1 January 2016, for example, we have banned the use of eight active ingredients in the cultivation of German fruit, vegetables and potatoes because they were suspected of being responsible for the decline of flying insects like bees, butterflies and hoverflies (known as active ingredients toxic to bees). The objective is to actively promote the protection of bees in Germany and to reduce the use of pesticides. The ALDI North Group and the ALDI SOUTH Group had also invited representatives of producers, associations and organisations, plant protection advisors and agencies, and testing labs to a round table discussion on this issue. A practical approach to a solution was worked out which takes account of protection of bees and agricultural requirements. Our suppliers were already informed in 2015 about the requirements applicable from 2016.



Loc Marée fresh salmon fillet

The salmon fillet is the first ASC-certified own-brand product within France.

100%

is the share of products tested for quality and safety in Germany in 2015.

When non-food products are delivered, we check them for damage during transport as well as labelling and cleanliness. Random samples of products are also tested for operation and we ensure that there are no missing parts, deformations, scratches, cracks or discoloration.

IN THE STORES: REGULAR CHECKS OF PRODUCT STOCKS

After the strict incoming goods inspections and quality checks at our distribution centres, the products are transported to our stores. Before they go on sale, our employees carry out further checks on the products in store. They inspect the products focusing on a number of aspects including visible damage. The goods already being displayed on the shelves are also continuously checked, for example for fungal infestation or damage to packaging. The minimum use-by date is also checked. Goods that can no longer be sold are regularly removed from the shelves.

AFTER-SALES: THE "ALDI GUARANTEE"

Our commitment to the quality of our products does not come to an end after they have been

sold. If customers are not satisfied with the quality of our products, we adopt a fair and tolerant approach and take back the items. We offer an uncomplicated exchange and guarantee arrangement with the "ALDI Guarantee". We can draw important conclusions on product quality from complaints and grievances. If there are any findings causing concern, we rely on random sample tests in all product groups carried out by accredited, independent testing labs appointed by us. We request reports and action plans from our suppliers in order to avoid defects in the future.

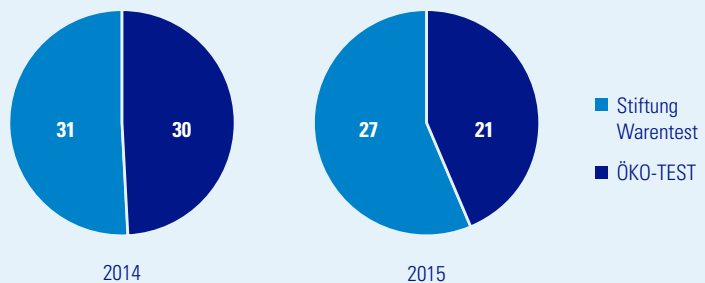
If we find that there are quality defects after we have started selling goods in spite of our checks, we immediately stop selling the products and remove them from the shelves. If there is any doubt about the safety of the products or there is a possibility of them causing harm to human health, we immediately institute recall campaigns. We inform our customers transparently, for example by means of posters in our stores. The procedure for recalls is subject to detailed statutory regulations.

Test rankings as a quality radar

External organisations regularly evaluate the quality of products sold by the ALDI North Group. For example, our products in Germany are frequently tested by consumer association Stiftung Warentest or the consumer magazine ÖKO-TEST. These organisations often apply stricter criteria than lawmakers. Most recently, our products also received good rankings with the Danish consumer council Tænk, the Spanish consumer and user organisation OCU and the Dutch consumer association Consumentenbond.

Products promoted with Stiftung Warentest or ÖKO-TEST

Number of articles promoted with test results from consumer association Stiftung Warentest or consumer magazine ÖKO-TEST¹



We take average or poor results for our products very seriously. In such cases, we analyse the causes of the results very carefully and take action to introduce measures to bring about improvement if the criticism is traceable and justified. This can also lead to products being removed from sale on a precautionary basis.

¹ It is only possible to label products with test results in Germany and the data therefore only related to Germany.

Tested good taste

The taste of food is the primary deciding factor determining whether customers are satisfied with our products. Our aim is to ensure that our products taste at least as good as comparable brand-name products. We make use of the wealth of experience held by our experts in order to guarantee good taste. Regular tastings by employees in the ALDI buying companies with specially trained sensory responses ensure a high quality for taste. The sensory training of employees for participation in tastings allows them to take the requirements in different product groups optimally into account.

We use the tastings to regularly check the recipes of all products and to make any modifications if necessary. Several times a day, food from the standard and special-buy product ranges is tasted at ALDI Buying. These are supplemented by tastings at the regional companies. The focus of evaluation is on appearance, aroma, texture in the mouth and taste. Blind tastings are also carried out where products from our range are compared with similar products from competitors. We also use blind tastings to compare products from different suppliers.

Public product recalls

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

The public recalls in 2015 affected products including deep-frozen strawberries in the food sector, and leather gloves in the non-food sector.

	2014			2015		
	Total	Recalls food	Recalls non-food	Total	Recalls food	Recalls non-food
Belgium/Luxembourg ¹	4	4	–	3	3	–
Denmark	4	3	1	2	2	–
Germany	2	2	–	5	1	4
France	3	3	–	14	12 ²	2
Netherlands	2	2	–	2	2	–
Poland	–	–	–	–	–	–
Portugal	–	–	–	–	–	–
Spain	1	–	1	–	–	–
ALDI North Group	16	14	2	26	20	6

¹ ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

² Six due to deficiencies relating to labelling requirements.



Enabling conscious consumption

CUSTOMERS & COMMUNITY

Around 1.2 billion purchases in 2015 alone

86%

of consumers recommend us. Consumers were questioned for the "European Trusted Brands 2015".

THE FOCUS IS ON OUR CUSTOMERS

Millions of customers make their purchases at the ALDI North Group every day. Their **trust** is our most important asset. That is why they can always rely on outstanding value for money at the ALDI North Group. Over recent decades we have continuously expanded our product range with innovative products and services. Today, you will find, for example, organic products or Fairtrade articles in many countries where the ALDI North Group is operating. We are continually expanding our range of more sustainable and healthier products. Furthermore, we are taking over comprehensive responsibility for our supply chain.

In line with our holistic interpretation of sustainability, we also aim at enabling our customers to engage in conscious consumption. Our objective is to promote a responsible approach to food and to raise the awareness of our customers for balanced nutrition. We take these functions very seriously. Our customer magazine ALDI aktuell and our websites are some of the tools we use to reach a large number of consumers and promote our objectives. At the same time, we facilitate the purchasing decisions for our customers by providing our products with transparent labelling. Our customers can easily identify some of the organically cultivated and ethically produced products with own brands like GutBio or FAIR.

Number of organic and Fairtrade products

Number of own-brand products with EU organic logo and number of insourced own-brand products with Fairtrade certification in the product range



	2014 ¹		2015 ²	
	Organic products	Fairtrade products	Organic products	Fairtrade products
Belgium/Luxembourg ²	20	3	56	3
Denmark	54	5	86	8
Germany	100	5	125	15
France	31	1	45	–
Netherlands	33	3	66	37
Poland	5	–	9	1
Portugal	41	2	60	7
Spain	80	1	105	1
ALDI North Group ³	304	14	433	58

¹ For the year 2014, data on centrally purchased articles is not available for all countries.

² ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

³ The ALDI buying companies partly insource individual products for several countries, therefore the total number of insourced products may be lower than the total of the breakdowns by country.

Materiality

Relevant results of the materiality analysis:

- Top 1 topic: Sustainable product-range selection
- Top 2 topics: Transparency & dialogue, Communication

GRI aspects:

- Product & service labelling
- Healthy & affordable products

Our aim is not only to make a contribution to responsible consumption by our customers. We are also committed to a responsible approach for implementing our own processes. We therefore avoid food surpluses and we donate many products that can still be consumed but are no longer saleable to charitable organisations. This will be part of the legislative framework in France. It enables us to make a contribution to solving some of the challenges in society. We have also defined this goal in our Corporate Responsibility (CR) Policy (see page 15).

FROM ORGANIC TO FAIR: SUSTAINABLE PRODUCT ALTERNATIVES

The clear labelling of organically produced or Fairtrade products provides customers with orientation. Consumers in Europe recognise organic products, in particular by means of the familiar EU organic logo. Products with this logo are included in our product range in all nine countries where we have stores. We have also launched our own GutBio brand so that we can give products from controlled organic production an even higher profile. It is used in four countries. A number of companies in the ALDI North Group use other own brands, for example Økolivet in



The ALDI North Group has 433 organic products in its product range.

Fairtrade, UTZ and Rainforest Alliance

More background information is provided in the Online Glossary.

Denmark. We are consistently expanding our organic range. In 2015, we included a total of 433 organic products in our product range throughout the ALDI North Group, with as many as 125 articles in Germany alone. The standard range of organic products is supplemented by organic special-buy products and regional products.

Fairtrade products are certified with the **Fairtrade mark**. This ensures that social, economic and environmental standards are complied with in the production of resources (see page 34). As a **TransFair** licence holder, the ALDI North Group has been engaging in fair trading since 2012. In 2015, we had a total of 58 Fairtrade certified products in our range throughout the ALDI North Group. In the same year, we launched our own brand **FAIR** for Fairtrade certified products. Our intention is to use this brand to further enhance the awareness for products manufactured in accordance with socially ethical standards. FAIR goods are already being sold in three of the countries where the ALDI North Group is operating. The FAIR product range in the Netherlands

includes chocolate, sugar, bananas and honey. We also provide transparency for other sustainability aspects of our products with a system of labelling. For example, we have established in our purchasing policies that in future we will only buy resources like cocoa from certified sources (see page 33). Our customers can trace the origin by seals and logos, such as **UTZ** or **Rainforest Alliance Certified™** displayed on the product packaging.

VEGETARIAN AND VEGAN PRODUCTS ARE EASY TO RECOGNISE

We encounter a range of aspirations for different types of nutrition from our customers. Our selection of pure vegetarian food without any meat therefore supports all customers who have a lifestyle which encompasses vegetarian or vegan food. The terms vegetarian and vegan have so far not been defined in the legislation. Since 2015, we have therefore been labelling the relevant products uniformly with the **V-Label** in a number of countries including

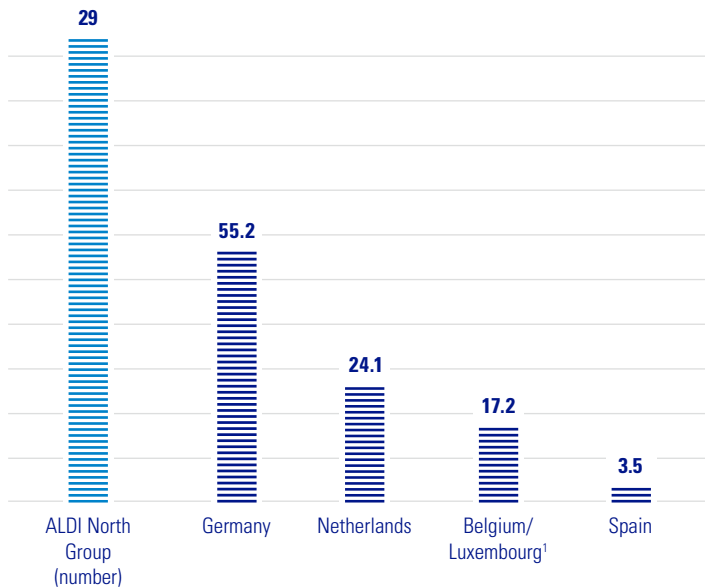


GutBio tofu

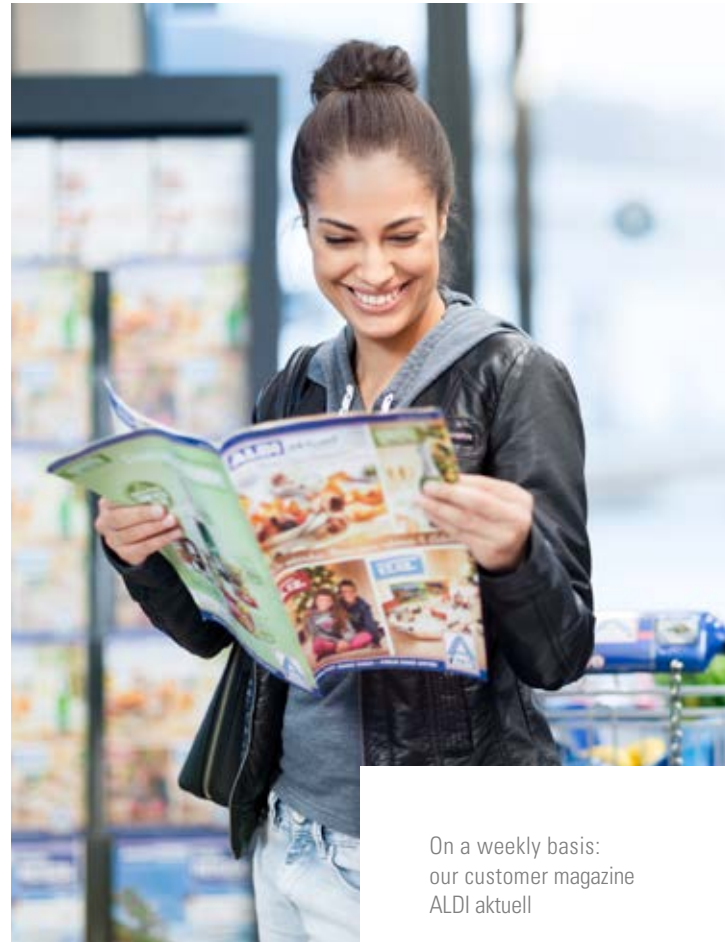
Organic tofu products at ALDI Spain provide an alternative protein product to products containing meat.

Labelled vegetarian and vegan products 2015

Number of products labelled as vegetarian and/or vegan in the product range and proportional breakdown by countries (in percent)



¹ ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).



On a weekly basis: our customer magazine ALDI aktuell



Non GMO
2015 labelled on twelve products



V-Label
We use the V-Label in two categories

- vegetarian
- vegan

Germany. This label is an international seal of approval which is awarded in Germany by the German Vegetarian Association (VEBU). It confers an award on products which guarantee to have no meat or fish in them, and no content originating from animals, such as gelatine. This measure enables us to achieve a higher level of transparency and gives our customers support in orientation. 16 products from the ALDI North Group carried the V-Label in Germany in 2015. The objective is to continuously expand the product range with other V-Label products and to establish our own brand.

A number of own-brand products in the product range only contain very small amounts of animal content. Under our National Animal Welfare Purchasing Policy Germany, we are gradually requesting the suppliers of these products to phase out animal content if possible. We started with a review of different juices where gelatine might be used for clarifying. This is a way of increasing diversity for customers with a vegetarian or vegan lifestyle.

Our product range of lactose-free and gluten-free products is continuously being expanded for customers with food allergies. We generally label these products with a supplement to the product designation.

GM TECHNOLOGY: SEAL PROVIDES SECURITY

Food made from genetically modified organisms (GMO) is subject to a critical discussion in the public domain (see page 30). In Germany, we are therefore using the "Ohne GenTechnik" seal (Ohne Gentechnik = no genetic engineering) from the "Verband Lebensmittel ohne Gentechnik" (VLOG – Industry Association Food without Genetic Engineering) for food which has been deliberately produced without the application of genetic engineering. The seal extends beyond the scope defined in European legislation. This labelling gives consumers assurance that when they purchase products like milk, meat or eggs, they are not buying products originating from animals that have been fed with feedstock made from genetically modified organisms, or that the



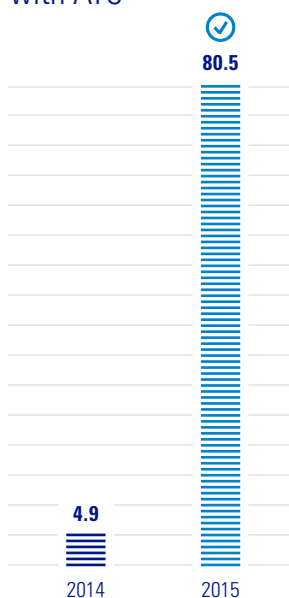
Clean Label

Since 2011, we have been labelling products with the Clean Label.



ALDI Transparency Code
Use with 207 products

Proportion of products with ATC



Proportion of meat or meat-containing own-brand products labelled with ATC in Germany (in percent)

prescribed feeding times relevant to the species of animal have been complied with before the manufacture of food. During the year under review, we were able to label twelve products from our range with the VLOG seal indicating a GMO-free product.

CLEAN LABEL HIGHLIGHTS THE ABSENCE OF ADDITIVES

Many consumers make enquiries about additives such as taste enhancers, colouring agents and preservatives. Already 25 years ago, the ALDI North Group stopped using food additives in many of its own-brand products. In Belgium, Denmark, Germany, and Poland we have been labelling products with the **Clean Label** where we have deliberately refrained from using specific additives since 2011. This label indicates to consumers that the products are manufactured without taste enhancers, aroma additives, colouring agents and preservatives.

HEALTHIER PRODUCT COMBINATIONS

We want to promote balanced nutrition for our customers where possible. In a number of countries, we have therefore started to gradually improve the composition of a number of products in accordance with the requirements for healthy nutrition. Appropriate labels highlight healthier product alternatives for our customers. For example, the keyhole seal (Nøglehulsmærket) is used in Denmark. Labelled food contains more fibre and less fat, fewer saturated fatty acids, and less sugar and salt than comparable products. In the Netherlands, we are taking part in a sector initiative which is committed to developing improved product combinations. The objective of the initiative is to make it easier for consumers to benefit from healthy nutrition. ALDI Netherlands is gradually changing the composition of different product groups as a result of the initiative. For example, the proportion of salt and saturated fatty acids has already been reduced in meat products. The next step will involve reducing the amount of salt in soups and stocks as well as the added sugar content in dairy products. The ALDI North Group has also been reducing the salt content of products in Germany since 2011.

ATC CREATES TRANSPARENCY ABOUT ORIGIN

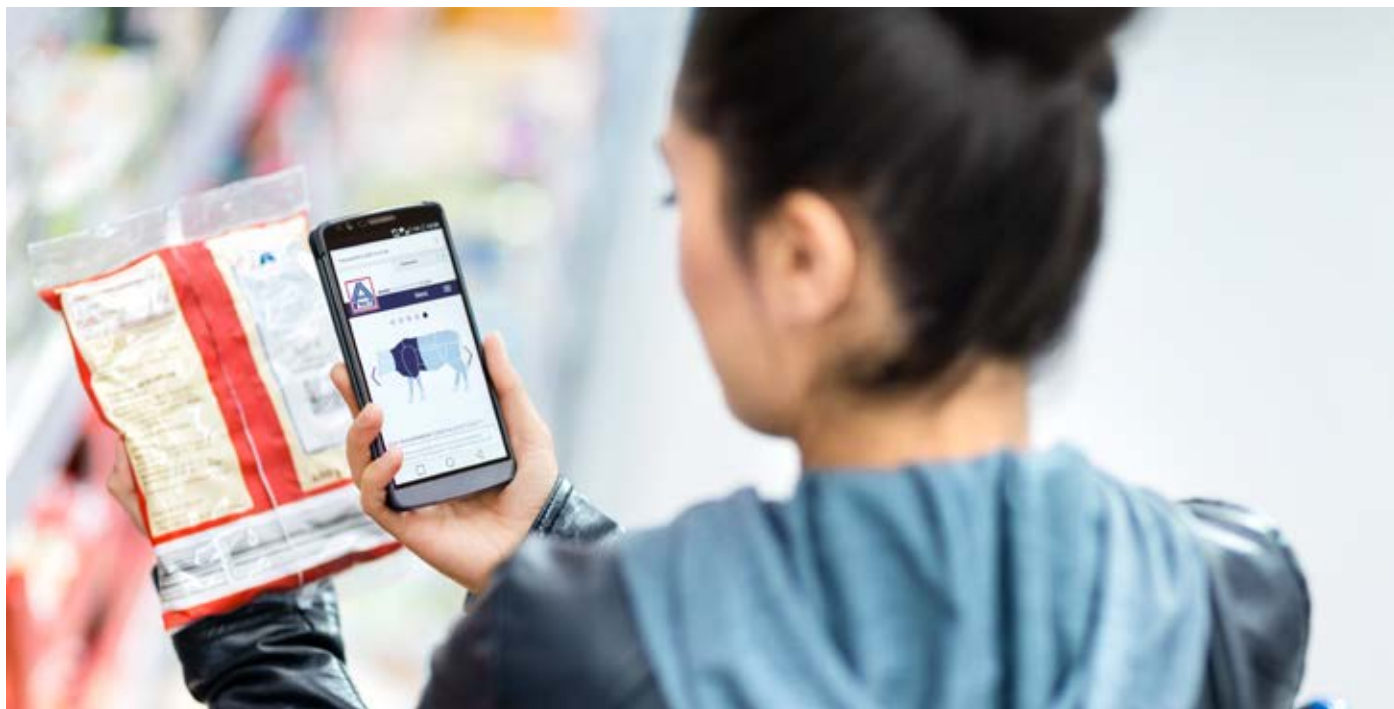
Food scandals have unsettled consumers over recent years. Consumers are therefore increasingly asking about the origin of food and they request more transparency. Since 2014, we have been meeting these requirements with the **ALDI Transparency Code (ATC)**. Our customers are now able to trace the origin of lots of

products online at any time – this means that we are going beyond the statutory requirements. Consumers can find information about meat and products containing meat in German stores by going to transparenz.aldi-nord.de. They can find out where the relevant animals were reared, slaughtered, butchered and processed. Information is also available about suppliers and product certificates. A QR Code on the product packaging enables customers interested in finding out more to have direct access to information about origin on the ATC internet page.

One year after the roll-out, 207 meat products and products containing meat of our own brands in Germany were already labelled with ATC in 2015. This corresponds to a proportion of 80.5 percent of all meat and products with meat content. In 2016, we will expand the ATC platform to two additional product groups in Germany, including fish and products with fish content (see page 26). The medium-term plan is to provide this package for our customers throughout the ALDI North Group. In its National Animal Welfare Purchasing Policy, ALDI Netherlands has defined the goal of converting all products with fish content to ATC by the end of 2016 (see page 30). Alongside the ATC, the 5D Label (for fresh chicken and turkey products) enables our customers in Germany to trace the origin of products. Stores in the Netherlands use the consumer service fTRACE. Beef and pork from France is identified with two appropriate seals. Fresh meat products labelled with the Danish Heart show our customers at ALDI Denmark, that the animals were born in Denmark, grew up and were slaughtered there.

RAISING THE CONSUMERS' AWARENESS FOR SUSTAINABILITY

Alongside clear product labelling, we also use a range of different communication formats in order to draw people's attention to sustainability issues. These tools mainly relate to our customer magazine **ALDI aktuell** which reaches a large number of customers with a circulation of 46 million copies each week. The magazine informs our customers about products, ingredients and quality seals. It also provides information about additional consumer-related topics – depending on the country – such as animal welfare (see page 28). We also motivate readers with attractive recipes designed to promote a healthy lifestyle. In Belgium, we have provided our customers with information about organic products and coffee certifications in two brochures. We also give information on sustainability issues at the ALDI North Group on our company websites and with



ATC – transparently informed thanks to QR code and smartphone

At least 52 times

Our customer magazine ALDI aktuell is published at least 52 times in the countries of the ALDI North Group.

ALDI aktuell

Since 2012, our customer magazine ALDI aktuell has been printed on FSC®-certified paper in all the countries where the ALDI North Group is operating. In Germany, the paper is also certified with the Blue Angel label.

Nationwide sustainability campaigns in the Netherlands

ALDI Netherlands participated in several campaigns in 2015 with the aim of informing consumers about sustainability issues and drawing their attention to relevant product offers. The national Fairtrade Week was celebrated in the Dutch stores by special-buy products with Fairtrade and organic certification and customers were provided with information about the seals. The ALDI North Group company also participated in "Think Fish Week", which was initiated by the Marine Stewardship Council (MSC), the Aquaculture Stewardship Council (ASC) and World Wide Fund For Nature (WWF) in the Netherlands. The campaign focused on the topic of sustainable fish purchasing (for our Fish Purchasing Policy see page 26).

notices in the stores. We would like to expand our communication measures further. We have therefore made a commitment in our CR Programme to further enhance the awareness of our customers for sustainable consumption. Our aim is to promote this commitment with pilot projects in the run-up to 2018 (see page 21).

CUSTOMER COMMUNICATION: OPEN DIALOGUE AND RAPID RESPONSES

We use a variety of different communication tools to inform our customers about our products, their origin and our sustainability engagement. However, effective customer dialogue

also demands good listening. That's why we are always available for our customers and we have set ourselves the goal of answering every enquiry within a very short period of time: either in our stores or by means of using our customer contact form. We want to improve continuously. ALDI Spain therefore carries out regular customer surveys.

AVOIDING SURPLUSES BY DONATING GOODS THAT CAN NO LONGER BE SOLD

A key concern of environmental organisations, consumer advocates and governments for many years has been reducing food wastage. We want

Food donations

Proportion of stores that donate unsaleable food to charitable institutions to the total number of stores (in percent)

	2014	2015
Belgium/Luxembourg ¹	100.0	100.0
Denmark	–	3.6
Germany	89.4	98.1
France	–	–
Netherlands	–	–
Poland	–	4.8
Portugal	–	8.5
Spain	60.4	76.5
ALDI North Group	56.7	61.5

¹ ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).



Customer loyalty in the Spanish market

The nationwide uniform communication concept "Our products speak for themselves" (Nuestros productos hablan por sí solos) is used to position the ALDI brand in the Spanish market and strengthen our corporate image. The objective is to create a close link between the stores and the surrounding communities. The concept includes a range of campaign formats for opening new stores. In May 2015, six new ALDI North Group stores were opened on Mallorca at the same time. An event with widespread impact supported the openings. Product tastings and a show cooking event were held in Palma de Mallorca in the presence of the mayor and the local press. Regional and organic products were also promoted at this event. Lots of visitors and a high level of media response confirmed the success of the concept.



Almost all of our stores in Germany donate unsaleable food to charitable organisations. Here the food is being donated to the regional organisation of the food bank in Ratingen.

to raise the awareness of our customers for a responsible approach to food. We can only have a credible image in this endeavour if we apply this principle in our own processes. Surpluses are avoided by planning our goods inventories very conscientiously. In Germany, France and Poland, we offer fresh meat and fish products at reduced prices just before expiry of the use-by date. In spite of these measures and careful planning, we are not always able to sell all our products completely. We have to remove edible goods from the shelves if they no longer satisfy our requirements for quality and freshness. A lot of unsaleable food that is still edible and non-food items are donated throughout the ALDI North Group. A large number of companies in the ALDI North Group cooperate with regional charitable organisations and food banks. During the year under review, 62 percent of our stores donated unsaleable food that was still edible. In some countries, unopened products from product tastings that take place every day and samples are also donated.

Since 2013, ALDI Portugal has been engaging in the "Network for supporting food" (Rede de Apoio Alimentar) at the Montijo site. Food that cannot be delivered to the stores is donated to charitable and social institutions which belong to the network. In 2015, the commitment was extended to four Portuguese stores. They

entered into joint ventures with the German-Portuguese charitable organisation Associação de Beneficência Luso-Alemã and with non-governmental association Re-Food Portugal. These organisations distribute food to vulnerable people. In Germany, we mainly work together with the regional organisations of the food banks. ALDI Belgium regularly donates unsaleable Christmas and Easter products in all stores. In Denmark, we work together with a non-profit restaurant from Copenhagen which uses donated food. The income generated is used to support humanitarian projects. Since 2011, ALDI Spain has been regularly donating food. Spanish stores cooperate in these ventures with various local organisations of the national food bank. At the Chorzów site in Poland, unsaleable but edible food and product samples are donated to the Polish Caritas charity. ALDI Netherlands has been working since 2016 with the Dutch food bank. It initially launched two pilot projects in two regional companies. The aim is to continue expanding this partnership in 2016.

By 2017, we will have drawn up a guideline on dealing with unsaleable food in the stores that applies to the entire ALDI North Group. This will ensure a uniform approach in all the countries. We have defined this guideline in our CR Programme (see page 21).

Collect, donate, support

Alongside food and non-food donations, monetary donations for charitable organisations and projects are also part of social commitment at the ALDI North Group. We also cooperate with workshops for people with physical disabilities, mainly in Germany. The foundation ALDI Nord Stiftungs-GmbH set up in 2015 by the ALDI North Group will also make an important contribution to this engagement in future.

Since 2009, ALDI Portugal has also been staging sales promotions for charitable purposes. Customers are able to directly donate products they choose to the local food-bank aid organisation Banco Alimentar after having bought them at the store. 21 stores took part in each of the two campaigns held in 2015. In 2014 and 2015, ALDI Portugal also supported the Earth Group organisation. Water from the Earth Group was sold to support the World Food Programme of the United Nations. ALDI Portugal has been donating used printer cartridges from its administrative department to the foundation Fundação do Gil since August 2015. This organisation is dedicated to helping sick and socially disadvantaged children and young people. The cartridges are sold to appropriate disposal companies for recycling. This is environmentally friendly and generates income for the foundation to use on its social projects.



We are real traders

EMPLOYEES

More than 46,000 employees work in sales – this is more than 80 percent of the personnel in the ALDI North Group.

CR Policy

The CR Policy can be viewed online.

OUR EMPLOYEES ARE THE PLATFORM FOR OUR SUCCESS

ALDI is the “original” among the discounters: simple, responsible and reliable. And more than 58,000 employees make a decisive contribution to the sustained success of the ALDI North Group.

Simple structures with clear responsibilities define our work. Our operations are geared to performance while also making open and respectful dealings with employees a top priority in an approach based on partnership. This respect for our employees is firmly established in our leadership principles “real traders” as well as in our [Corporate Responsibility \(CR\) Policy](#) and is a vital element of our human resource management.

The ALDI North Group and its employees will continue on their trajectory of success in the future. An enabler for this is recruitment of the most talented employees, retaining the loyalty of employees over the long term and continuing to strengthen their identification with the company. They are entitled to take pride in working for the ALDI North Group.

FLEXIBILITY THANKS TO DECENTRALISED ORGANISATION

Responsibility for human resources topics is established at local level in all companies in the ALDI North Group. Each of the companies develops its own personnel measures. The common platform is the mission statement and the



derived leadership principles. This organisational structure enables measures to be matched with specific features of local employment markets.

PERFORMANCE IS RESPECTED BY OUR COMPANY

The employees of the ALDI North Group are remunerated with fair pay in accordance with their performance. Of course, women and men working for the ALDI North Group receive the same compensation for doing the same job. In Germany and Spain, the level of compensation for the payscale employees is based on the regional collective bargaining agreements governing payscale in the retail trade. Furthermore, the regional companies in Germany have reached agreements with the individual works councils

on attractive benefits for the employees that exceed those agreed in the payscale agreement, including bonuses, allowances, travel money, capital-forming benefits and a full 13th month's salary. Employees in Portugal and Spain also receive elements in excess of those agreed in the payscale agreement such as bonuses and allowances. The salaries of the executive employees in most countries where the ALDI North Group is operating are also well above the sector average. In the Netherlands, the compensation above the payscale agreement for employees in sales is defined in a guideline. At ALDI Denmark, the collective bargaining agreement for employees includes a minimum wage, fixed hourly overtime payments and additional days of holiday. Independently of the obligations agreed



Materiality

Relevant results of materiality analysis:

- Top 2 topic: Fair employer
- Top 3 topics: Human resource policy based on life phase, Occupational health & safety

GRI aspects:

- Training & education
- Diversity & equal opportunity

under the collective bargaining agreement, the local employees in sales have the opportunity to receive individual allowances and sales bonuses. The compensation of all employees in Belgium is in accordance with a salary tariff that exceeds the average sector wage.

Since May 2014, the regional companies at virtually all German locations have been gradually introducing an electronic time-recording system. This provides more transparency and fairness for structuring working hours and pay. A new compensation model is also being introduced with the time-recording system which provides the employees with many advantages. For example, the weekly working hours for store administrators were reduced by several hours for the same salary. In addition, the training compensation was increased. As many as 20,000 employees in Germany have already been integrated in the new working-hours and compensation system (status 12/2015). In the Netherlands, a corresponding electronic time-recording system is also being introduced in 2016; a similar introduction is also being planned in France.

WE ARE A FAIR EMPLOYER

People from more than 112 nations work in the nine European countries where the ALDI North Group is represented. The diversity and variety of employees enriches daily work. All the employees in all countries have the same opportunities irrespective of gender, age, religion or belief, sexual identity, origin or physical disability. We therefore reject any form of discrimination. The proportion of female employees in management positions is around 24 percent in the ALDI North Group. Women are represented with more than 27 percent in lower management and with more than 21 percent in upper management positions.

ENSURING HEALTH AND WELLBEING IN THE WORKPLACE

The employees at the ALDI North Group are motivated and committed in their work every day, and they make a decisive contribution to the sustained success of the group of companies. The companies in the ALDI North Group take responsibility for their health and safety in

Proportion of women in management positions

Proportion of female employees in management positions on the reference date 31 December (in percent)

	2015
Belgium/Luxembourg ¹	24.9
Denmark	20.2
Germany	24.6
France	17.5
Netherlands	15.1
Poland	38.6
Portugal	43.2
Spain	34.8
ALDI North Group	23.8

Number of employees by job category

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

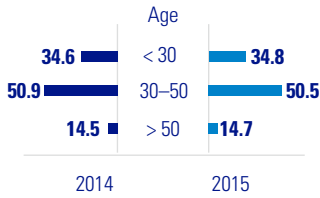
	2014	2015	
	ALDI North Group	ALDI North Group	of which female ¹
Sales	43,182	46,708	36,146
Warehouse	4,400	4,604	1,183
Vehicle fleet	2,494	2,490	39
Office	1,970	2,215	1,950
Upper management	576	577	122
Lower management	1,146	1,043	284
Other ²	525	542	33

¹ ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

¹ A breakdown by gender is only possible from 2015.

² This category also includes employees released for the works council and maintenance staff.

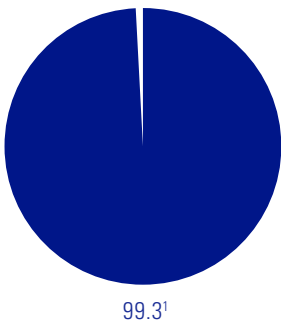
Employees by age groups



Proportion of employees by age groups on the reference date 31 December (in percent)

Proportion of employees which is covered by the collective bargaining agreements in 2015

Proportion of employees which is covered by the collective bargaining agreements on the reference date 31 December (in percent)



¹ The proportion of employees was calculated excluding Poland because no collective bargaining agreements have been concluded there.

the workplace – an important issue for human resource management. Our stores have light and spacious premises which create a good working atmosphere. The companies in the ALDI North Group regularly carry out inspections at workplaces in order to identify potential hazards at an early stage. The focus is on the areas with increased risk of accident, such as logistics and sales. The main concern in sales relates to ensuring that employees can work without injuring their backs when they are restocking shelves and freezer cabinets. One example of a measure taken many years ago was the introduction of maximum weights for boxes throughout the ALDI North Group. The sale of goods directly from pallets also saves time and reduces the physical burden on employees. Accidents in warehouses involving electric forklift trucks or employees freezing in the cold storage facility must be avoided. ALDI Netherlands, ALDI Portugal and ALDI Spain also

work closely together with external specialists in occupational health & safety in order to ensure compliance with the requirements under employment law in the stores, distribution centres and to some extent in the administrative facilities.

WORK-LIFE BALANCE BETWEEN CAREER AND FAMILY

We provide support for our employees and help them get the work-life balance right between career, leisure time and family. A number of measures are in place to facilitate this including lots of opportunities for part-time jobs, particularly in the stores. When working out duty rosters, the working hours are arranged to take maximum account of the employees' interests. Irrespective of full-time or part-time jobs, we place the same requirements on our employees, also in relation to avoidance of unequal treat-

Grievance system at ALDI Netherlands

Since 2015, employees in the Netherlands have had access to a clearly regulated grievance system. This system gives them the security that they will be supported objectively and confidentially if the need arises. ALDI Netherlands has been working on this system with an external ombudsman and an external grievance committee. Any employee can seek help from the ombudsman and receive anonymous advice in cases such as sexual harassment, bullying or discrimination. Either a mediator is appointed to solve the problem or a formal procedure is introduced through the grievance committee. The ombudsman has to keep the matter confidential unless the circumstances are exceptional – for example in cases of serious risk to health. The grievance system at ALDI Netherlands sends a clear message of zero tolerance against any form of discrimination to the entire workforce.

Spain: action plans against harassment and for equal rights

Since 2009, an action plan has been in place in the Spanish companies which comes into force if there are any signs of harassment. The plan guarantees that the situation will be clarified or remedied within 24 hours. An external mediator is used in order to guarantee neutrality. In 2009, we also introduced a further action plan in the Spanish companies which is intended to safeguard equal rights. We use this plan to regularly review our employee structure in order to ensure equal opportunities and equal treatment.



In Germany, we look for more than 1,000 new apprentices every year.

0.4%

was the proportion of agency workers on the reference date 31 December.

ment. We have agreed with the works councils in Germany that overtime hours will only be worked if they are necessary for operational reasons due to unforeseen circumstances. Emails should not be processed outside working hours.

LOYALTY TO THE COMPANY

Above-average employee loyalty has been a traditional feature at the ALDI North Group on a sector comparison. Many employees have already been working at the ALDI North Group for more than ten years. However, the average length of service varies between different countries depending on when they entered the market and the market structure: from three years in Portugal to twelve years in Belgium/Luxembourg.

The companies in the ALDI North Group offer their employees secure working conditions and long-term career development perspectives – increasingly important arguments in competition for the most talented employees. The company strives to achieve long-term working relation-

ships already when appointing new employees. Most of the contracts for employees are permanent and for an indefinite period. The proportion of employees' contracts for an indefinite period is around 84 percent throughout the ALDI North Group. Agency workers are only used to a limited extent (Germany: 0.01 percent, throughout the ALDI North Group: 0.4 percent).

INFORMATION FORMS THE PLATFORM FOR RESPONSIBLE ACTION

The employees of the ALDI North Group make a key contribution to the success of the group of companies with their knowledge and responsible approach. Managers therefore have a duty to inform their employees promptly about the latest developments in the company and to provide any explanations required as background information. In Germany, the Netherlands and Spain employees are kept informed individually on a personal level and they also receive regular newsletters, for example outlining relevant changes in the product range, IT upgrading or

Employees by employment type

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

	2014		2015			
	Full-time	Part-time	Full-time	of which female ¹	Part-time	of which female ¹
Belgium/Luxembourg ²	1,997	4,119	2,021	877	4,235	3,575
Denmark	1,059	926	1,048	468	989	583
Germany	7,646	21,922	7,267	3,125	24,162	19,396
France	4,794	2,153	5,184	2,504	2,236	2,029
Netherlands	1,645	4,214	1,639	324	4,652	3,569
Poland	272	599	473	337	687	665
Portugal	161	323	230	94	383	322
Spain	1,033	1,430	1,220	611	1,753	1,278
ALDI North Group	18,607	35,686	19,082	8,340	39,097	31,417

¹ A breakdown by gender is only possible from 2015.

² ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

6 years

Many employees have been part of the ALDI North Group for more than 6 years.

the topic of CR. In Belgium and France, they receive a monthly newsletter on issues relating to CR and quality. The range of topics varies from the certification of coffee, cocoa and tea, to commitment to social standards in textile production. In March 2016, ALDI Portugal also introduced a CR Newsletter providing information for employees on a regular basis.

MANAGERS ARE ROLE MODELS

Being a manager at the ALDI North Group entails putting your commercial talent to the test every day, making decisions confidently, motivating employees, and of course ensuring that customers are satisfied. Apart from having social skills

and specialist expertise, we therefore expect managers to give direction to the employees in their teams, to respect their staff and to motivate them, as well as ensuring that they are appropriately qualified. Today, their role model is therefore even more demanding than ever before. In 2014, the ALDI North Group developed leadership principles which highlight the values of simplicity, responsibility and reliability, as well as focusing on recognition, openness and trust.

DEVELOPING EMPLOYEES IS A MANAGEMENT FUNCTION

A trusting working environment and cooperation based on partnership are particularly important

Trust-based cooperation with the works councils

Since the 1970s, an elected employee representative organisation has been in place at the ALDI North Group in Germany directly when a new company is established. Each of the 35 regional companies is represented by its own works council with an average of twelve members. Overall, there are more than 420 works council members at the ALDI North Group in Germany, 77 of which are on permanent leave in order to carry out their duties.

Our aim is to work openly and consensually with the works councils. The latest example of this consensus: In 2016, the distribution centre in Essen is being closed due to its urgent need for renovation. The new ALDI Campus administrative centre will be realised at the same site. The employees at the distribution centre were offered equivalent employment opportunities within the group of companies. The jobs for the employees in sales are retained in full at unchanged conditions.

There are also works councils in all the regional companies in the Netherlands. They are always made up of employees from the stores, the distribution centre and the administration. The 8 to 14 members have fewer working hours so that they are able to carry out their regular duties as members of the works council and go to the meeting with the managing directors of the regional company that takes place up to every quarter of a year.

In Belgium, a works council meeting takes place in each regional company every month. Representatives of the employer and the employees from the stores, distribution centres and administration take part in these meetings. The employee representatives are selected by the employees. They have protection against dismissal and they are released from their duties in order to take part in meetings of the works council and training sessions, to visit stores and to participate in appraisal interviews.

In Denmark, the companies agree on conditions for employees with two unions. This communication is always constructive and has led to improved cooperation between the unions and ALDI Denmark.

at the ALDI North Group. All the employees have the opportunity to contribute their skills towards joint success. The managers therefore support the career development of employees and work together with them to define their goals.

In Denmark, Germany and Spain, the managers regularly assess the performance of employees under their responsibility. From the level of the store administrator, the assessment is carried out annually on the basis of defined criteria.

At ALDI France, a staff meeting is held at least once a year. A meeting on training requirement and career development takes place every three years. In the companies of ALDI Spain, targets for different positions are defined once a year. The assessment is carried out on the basis of fixed criteria. Employees in the Netherlands are also assessed annually by their managers.

REALISING PERSONAL CAREER TARGETS

The employees at the ALDI North Group have good opportunities for advancing their careers. Career paths are open and offer diverse opportunities for development.

Right from the start, employees are able to take responsibility. Successful economics graduates from a university or university of applied sciences join the company at the level of an area manager – this also applies to twin-track students with in-service training at the ALDI North Group. They first undergo a six-month induction period at a store. As an area manager they then take responsibility for five to seven stores and manage up to 70 employees. Experienced colleagues provide them with proactive support.

Even if they have not completed a university degree, retail clerks and retail assistants also have

Proportion of employees by employment contract

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

	2015			
	temporary	of which female	permanent	of which female
Belgium/ Luxembourg ¹	9.6	64.3	90.4	68.2
Denmark	1.5	65.5	98.5	51.9
Germany	15.5	67.1	84.5	72.1
France	10.8	62.8	89.2	64.3
Netherlands	32.8	59.7	67.2	63.6
Poland	61.1	86.6	38.9	85.0
Portugal	58.0	69.9	42.0	69.1
Spain	4.9	51.4	95.1	63.3
ALDI North Group	16.5	66.3	83.5	68.7

¹ ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

Length of service with the company

Average length of service with the company (in years)

	2014	2015
Belgium/Luxembourg ¹	11	12
Denmark	4	4
Germany	10	10
France	6	6
Netherlands	10	10
Poland	4	3
Portugal	3	3
Spain	4	3
ALDI North Group	7	6

¹ ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

For more than 20 years

The ALDI North Group has been providing training for more than 20 years.

Training vocations

The main training vocations provided are in commercial occupations such as retail assistant or retail clerk for office management, or in the case of school leavers with a university entrance qualification training as a retail merchandiser.

the opportunity to gather experience in store management in almost all countries. They are promoted to store administrator if they have appropriate aptitude. For example, selected store administrators in Germany are supported in obtaining the qualification as retail merchandiser. When they have obtained this qualification, they can advance to area manager and this is the pathway to all other management positions. If individuals have the appropriate skills, the company prefers to make promotions from its own ranks, so that many of today's managers started their careers in stores or as apprentices at the ALDI North Group.

APPRENTICES AT THE ALDI NORTH GROUP ARE AMONG THE BEST IN THE SECTOR

Training is a key element in ensuring the future of the ALDI North Group. The regional companies in Germany have around 2,000 apprentices and they are one of the biggest training providers in the German retail trade. Throughout the ALDI North Group, the number of trainees was around 2,300 in 2015, with 74 percent of the trainees in Germany being employed in permanent positions.

In Germany, the trainees are always among the best in their cohort. As well as attending vocational school, they receive comprehensive training in a company training programme, the ALDI

Apprentice Camp. Training systems or comparable offerings are also provided in other countries where the ALDI North Group is operating, for example in Denmark, France, the Netherlands and Spain. The training at ALDI Denmark and Spain is carried out in cooperation with a business school. Our trainees there are taught together in a dedicated class. They also gain practical experience within the company and take part in internal training modules. The satisfaction and career development of the trainees is regularly reviewed. In the study year 2014/2015, ALDI Spain had the highest training rate in a sector comparison.

Regional companies in Germany also cooperate with 18 partner universities of applied sciences and vocational academies to offer a twin-track bachelor's degree in the disciplines of IT and business studies. ALDI Portugal also provides a university place on a bachelor's course for a twin-track degree at the Berlin School for Economics and Law. In Germany, the regional companies will expand their twin-track degree programme with a master's course in 2016 in the subject "International Retail Management" at Bochum University of Applied Sciences. A practical induction to the position of area manager is also being implemented in parallel. The master's degree is initially open to all our employees who have already completed a bachelor's degree at the ALDI North Group. The programme will be extended to external applicants.

Number of apprentices and students pursuing a twin-track degree course with in-service training

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 the countries of Denmark, Germany and France. The system used in the Netherlands and Spain is currently not included in recording the performance indicators because the vocational training models are not identical. In Germany, a twin-track degree course with in-service training is also offered.

	2014		2015	
	Apprentices	Twin-track students	Apprentices	Twin-track students
Denmark	54	–	53	–
Germany	2,330	117	2,014	92
France	187	–	241	–
Total	2,571	117	2,308	92



Our junior employees can build their skills base and gain a lot of experience in the project.

ALDI stores run by apprentices

Practical experience and assumption of responsibility at an early stage are typical characteristics of apprenticeships at the ALDI North Group. Since 2014, the project "ALDI stores run by apprentices" has given apprentices in Germany an opportunity to prove themselves in responsible positions at our ALDI Apprentice Camps during the course of their training. Over a period of two weeks, a team from the third training year takes over the management and entire operation of an ALDI North Group store: from incoming goods and replenishment planning, through presentation, sales, human resources department, assisting customers to till operation. Apprentices follow a daily rotating programme which gives them an opportunity to work in all the positions available. Experienced trainers provide them with support.

The project is intended to give apprentices an early insight into career perspectives and promote their sense of responsibility and management awareness. The joint challenge also strengthens team spirit. Apprentices in Denmark are also given the opportunity to take over the management of a store for a week.

"The project gives apprentices the chance to apply their theoretical knowledge and thereby find their personal strengths."

Reinhard Giese, Managing Director of the company in Herten



On the route to more climate and environmental protection

LOCATIONS

Materiality

Relevant results of the materiality analysis:

- Top 2 topics: Energy efficiency, Waste management
- Top 3 topic: Climate protection

GRI aspects:

- Materials
- Energy
- Emissions
- Effluents & waste
- Products & services
- Transport

REDUCING GREENHOUSE GAS EMISSIONS AND PROTECTING RESOURCES

The business operations of the ALDI North Group contribute to the emission of greenhouse gases and require natural resources. The sources of these impacts range from lighting, heating and water supply to our buildings, through transport and cooling of our goods, to the disposal of their packaging. Our holistic interpretation of sustainability entails that we take responsibility not only for the manufacture of our products (see page 24) but in all areas where our actions exert an impact.

Our aim is to reduce the consequences of our business operations on the climate and the environment. We have established this aspiration in our Corporate Responsibility (CR) Policy. Our CR Programme defines clear targets that we are gradually implementing (see page 21). On the basis of the proven ALDI North Group principle expressed as “Focusing on the essentials”, we are taking action and deploying measures where we can achieve the greatest impacts. We are continuously improving our energy efficiency and expanding the proportion of renewable energies in our electricity supply.



We produce environmentally friendly electricity with our photovoltaic systems.

SYSTEMATICALLY INCORPORATING SPECIALIST EXPERTISE

A range of business processes are used to control matters relating to energy, logistics, waste and water. We systematically integrate specialist expertise from the relevant departments. Depending on the issues, the strategic concepts, targets and measures are developed by the working groups, specialist departments and the CR department (see page 17). This is carried out in consultation with the CR managers of the ALDI North Group in all countries. As necessary, strategic concepts are modified in accordance with the requirements of local circumstances and adjusted to national legislation, and measures are rolled out on the basis of individual responsibility. The development towards more climate friendly logistics, which was established within ALDI Buying in 2015, is being driven forward in conjunction with the working group. Communication on this issue is also taking place with the ALDI North Group companies in the relevant countries.

Climate protection and resource efficiency must be firmly anchored in our routine approach every day so that we can achieve our targets. The employees of the ALDI North Group are the key factor for success. The companies in the ALDI North Group therefore raise employees' awareness for conscientious and ethical behaviour in their everyday working environment. The main issues here are lighting and waste separation. An example of this approach is provided by the training sessions carried out in Spain on energy-efficient operation of the air-conditioning systems, lighting on demand, and avoidance of heat losses between heated and cooled areas. We also raise the awareness of our employees

Modern logistics concepts are assisting us in shortening transport routes for goods and therefore making this more climate friendly. We are reducing waste by increasingly deploying multiple-use systems in logistics. A very large proportion of packaging materials are recycled and further utilised.

These measures are contributing to reducing our [environmental footprint](#) and they are reducing costs at the same time. We are also increasing the trust of our stakeholder groups in our holistic engagement (see page 19).

Environmental footprint

The "environmental footprint" is a metaphor for the total consumption of resources by a defined unit. This may be a company but it can also be individual people, households, regions or countries.

in Belgium, Germany, the Netherlands and Portugal as to how they can save energy with measures in the stores and in logistics that can easily be put into practice.

EVALUATION OF ENERGY CONSUMPTION HIGHLIGHTS POTENTIAL FOR SAVINGS

The improvement of our energy efficiency is an important cornerstone for more climate protection. Precise knowledge of our consumption is absolutely essential in order to be in a position to determine the areas where we can save most energy. This data has therefore been analysed on a regular basis in the individual companies in the ALDI North Group for many years. Since 2015, we have bundled these activities in central CR data collection for the Sustainability Report. We record the consumption by business processes and break the data down by energy sources. We also determine the emissions that result from our consumption. In future, the consumption data will be evaluated by the CR department and the

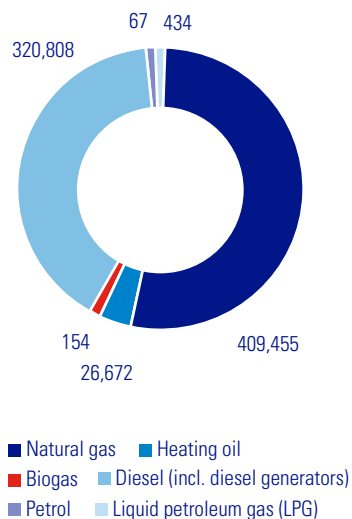
specialist department Property and Expansion in order to derive appropriate measures.

As is typically the case in the retail industry, we are able to save the most energy in lighting and cooling at our stores. There is also significant potential for savings with cooling technology at our distribution centres. This was confirmed not least in the energy audits defined under statutory regulations which we carried out at selected companies of the ALDI North Group in Belgium, Germany, Denmark and France at the end of 2015 (see online interview on energy audit). The energy consumption for this was broken down in detail by consumption points such as freezers, baking ovens, air-conditioning systems, heating systems, heating for hot water and office lighting. At the end of 2015, implementation of the energy audit was started at ALDI Netherlands. In Spain, relevant statutory regulations came into force at the beginning of 2016 – this is why ALDI Spain is currently working with external service providers on implementing the energy audit.

Energy sources being used

Apart from the consumption of electricity, the main fuels we use are natural gas and heating oil to cover our heating energy requirement as well as diesel in logistics.

Direct energy consumption by source 2015



Direct energy consumption

Direct energy consumption in buildings and logistics by energy sources (in MWh)¹

The biggest part of direct energy consumption is attributable to the use of natural gas for heat generation, and to diesel used as a fuel in logistics. Total consumption increased slightly compared with 2014. This is mainly due to increased consumption of natural gas as a result of a colder winter in some countries and the expansion of sites.

	2014	2015 ☺
Belgium/Luxembourg ²	99,607	109,350
Denmark	18,309	19,783
Germany	370,237	385,846
France	142,110	144,412
Netherlands	76,905	80,119
Poland	9,092	12,896
Portugal	989	1,013
Spain	4,199	4,171
ALDI North Group	721,448	757,590

¹ The data are partly based on estimates and extrapolations.

² ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

Energy consumption

In 2015, our stores consumed around 172 kWh of electricity per square metre of floor surface. At our distribution centres and the associated administrative facilities, this value was around 39 kWh per square metre. A detailed breakdown of our consumption by energy sources is provided on page 68.

We are currently developing a concept for an energy monitoring and management system in order to determine the potential for additional increases in our energy efficiency. The system permits a very detailed evaluation of current energy consumption and will be finished by 2017.

Furthermore, all consumption data form the necessary foundation in order to develop a concept for systematic reduction of our CO₂ emissions. This will merge the diverse climate protection measures carried out in the ALDI North Group by 2017.

LIGHTING AND COOLING AS A CENTRAL LEVER FOR SAVINGS

We want to reduce [energy consumption](#) in the buildings of our stores, distribution centres and administrative buildings. The biggest potential for savings is in the areas of lighting

and cooling technology. This is why many of our measures are deployed there. As early as 2013, we launched a project for optimising energy at our stores in Germany. The long-term goal is to eliminate most of our use of fossil, non-renewable combustion fuels throughout the ALDI North Group in our new stores. We are currently trying to achieve this in a pilot project in Germany (see page 73).

EFFICIENT LIGHTING WITH LED TECHNOLOGY

LED lighting systems use up to 50 percent less electricity than our existing lighting system. Today, LED lighting is already being used a great deal in outside areas and for promotional systems. From 2016, LED lighting will also be used for interior lighting in all new stores. In the period up to 2019, we will be carrying out a review for the ALDI North Group with a view to gradually converting all existing stores and distribution

Indirect energy consumption

Electricity and district heating consumption (in MWh)¹

Electricity consumption at nearly 923 GWh is responsible for the biggest proportion of energy consumption at our locations. An increase of around three percent meant that consumption only underwent a marginal increase compared with the previous year. The increase is due to a number of factors including longer operating times at the Dutch logistics and administrative sites, and the installation of additional freezers and baking ovens at stores in Spain.

	2014			2015		
	Total	Electricity	District heating	Total	Electricity	District heating
Belgium/Luxembourg ²	87,581	87,581	–	87,895	87,895	–
Denmark	49,605	38,758	10,847	48,751	39,659	9,092
Germany	456,809	441,748	15,061	443,473	429,008	14,465
France	157,429	157,429	–	178,092	178,092	–
Netherlands	75,566	74,831	735	79,138	78,119	1,019
Poland	13,671	12,444	1,227	17,394	16,110	1,284
Portugal	12,479	12,479	–	14,113	14,113	–
Spain	67,928	67,928	–	79,694	79,694	–
ALDI North Group	921,068	893,198	27,870	948,550	922,690	25,860

¹ The data are partly based on estimates and extrapolations.

² ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

centres to LED lighting. The potential of LEDs for saving energy has been confirmed in a number of pilot stores which were entirely converted to LED. The first distribution centres – for example in Belgium – have also been entirely equipped with LED lighting. In 2016, ALDI Portugal opened its first store with an LED lighting system for interior lighting.

Since 2015, we have been using on-demand lighting in the warehouses and utility rooms at newly constructed stores in order to reduce the amount of energy used for lighting. The lights are automatically switched on and off using move-

ment and heat sensors. Windows reaching down to ground level are also used in the store premises so as to take maximum advantage of daylight. This measure reduces the use of artificial lighting and saves energy as well.

REDUCING THE ENERGY REQUIREMENT FOR COOLING TECHNOLOGY

Cooling technology is another important starting point for more climate protection. Many of our goods are chilled or frozen. These are energy-intensive processes. Self-defrosting freezers are one of the measures we use in order to keep

Greenhouse gas emissions Scope 1 and 2

Greenhouse gas emissions Scope 1 and 2 (in metric tons of CO₂ equivalents)

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 2015 or GEMIS 2015 for emissions from the sourcing of district heating. The specific emission factor of the energy supplier was used for emissions from electricity consumption in Germany. The total amount is comprised of direct (Scope 1) and indirect emissions (Scope 2). While the Scope 2 emissions fell back slightly on account of reduced emission factors, direct emissions went up slightly. The reasons include the more comprehensive database on emissions from refrigerant losses in 2015 compared with 2014. There was also an increase in the consumption of natural gas which led to an increase in Scope 1 emissions.

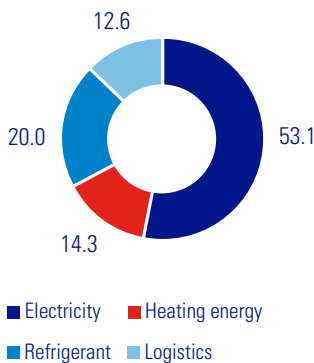
	2014			2015		
	Total	Scope 1 ¹	Scope 2 ²	Total	Scope 1 ¹	Scope 2 ²
Belgium/Luxembourg ³	55,209	37,536	17,673	68,806	51,585	17,221
Denmark	23,509	9,963	13,546	23,601	10,862	12,739
Germany	381,697	113,483	268,214	377,082	118,004	259,078
France	77,520	67,917	9,603	79,299	68,856	10,443
Netherlands	74,042	46,780	27,262	58,727	30,671	28,056
Poland	12,308	2,174	10,134	32,112	19,196	12,916
Portugal	5,163	1,382	3,781	5,512	1,529	3,983
Spain	25,344	5,596	19,748	35,225	12,237	22,988
ALDI North Group	654,792	284,831	369,961	680,364	312,940	367,424

¹ Scope 1: Emissions from direct energy consumption in buildings, fuel consumption for logistics and refrigerant losses.

² Scope 2: Emissions from electricity and district heating consumption.

³ ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

Greenhouse gas emissions Scope 1 and 2 by sources 2015



Total amount of greenhouse gas emissions for Scope 1 and 2 proportionately by sources (in percent)

Cool air curtain

In order to prevent the ingress of hot air into the chiller shelf, a curtain of cold air is created by the installation of ventilation which protects the cool environment on the chiller shelf.

Global Warming Potential

The Global Warming Potential of a refrigerant describes the extent to which the material contributes to global warming if it is leaked into the atmosphere. The equivalent amount of CO₂ with a Global Warming Potential value of 1 has been defined as a comparative value.

Our new store concept: bright, energy efficient premises

The new stores in the ALDI North Group have average floor space of 1,000 to 1,200 square metres and they offer our customers and employees significantly more space. Windows reaching down to ground level let in a great deal of daylight and reduce the need for artificial lighting. Starting in 2016, only energy efficient LED lamps will be used wherever artificial lighting is required. In 2011, the first store based on the new concept opened in Mariakerke in Belgium. From 2012, the first new stores based on this concept were opened in companies throughout the ALDI North Group.

this consumption to a minimum. LED systems are also deployed to illuminate the freezers. LED systems not only consume less electricity, they also generate less heat than conventional lighting systems. This enables us to further reduce the energy necessary for freezing. In 2013, we started to use these technologies in new freezers. We have used [cool air curtain](#) technology at our open chiller shelves for many years, which protects the cool environment against the ingress of heat from outside. The shelves are fitted with night-time roller shutters to seal them after closing time. As a comparison, the use of glass doors can increase energy consumption. This is because customers frequently open and close the doors. The energy-saving compressors and fans enable us to reduce the energy consumption of the chiller shelves by between four and six percent. Apart from Germany, the technologies described are also being used in other countries where the ALDI North Group is operating.

REFRIGERANTS: MEASURES TO REDUCE GREENHOUSE GAS EMISSIONS

Cooling our products also requires the use of refrigerants. However, the most commonly used refrigerants have a great deal of [Global Warming Potential](#). They can leak into the atmosphere and in this way contribute to global warming. A comparative analysis of our emission sources revealed that around 20 percent of our greenhouse gas emissions result from refrigerant leakage.

The current level of technology does not permit leakages to be entirely eliminated. We are therefore also introducing a digital monitoring system in addition to regular leakage tests at all

our German locations. Digital data capture and evaluation enables the system to provide a fast overview of all the cooling systems. This means that leakage rates can be reduced. Since 2014, we have been testing the MobiLec leakage monitoring system in a pilot project at our regional company in Scharbeutz. Since then, fitters have been able to enter all refrigerant leakages in the system directly from the store. In 2015, this enabled us to reduce the leakage rate there to around one percent.

At the same time, we are increasingly replacing the existing refrigerants with climate friendly alternatives – so far in Germany, Denmark and Poland. At these locations, we are gradually converting all chiller and freezer cabinets to the natural refrigerant propane. Its Global Warming Potential is 1,300 times less than the common commercial refrigerant R404A. In Germany, around 50 percent of the refrigerants has already been converted. We are also currently planning to test the use of CO₂ as a refrigerant at two stores in Germany. In Denmark, we are also using propylene glycol and water as a refrigerant. The Global Warming Potential of CO₂ and propylene glycol is even lower than propane. Since the generally higher temperatures in Portugal place different demands on cooling there, the use of climate friendly alternatives is still being reviewed. R404A continues to be used frequently at our distribution centres. Here too we want to make increasing use of CO₂. We are currently trialling the use of ice storage at a pilot project in Greven (see information box on page 73). This enables energy generated from a photovoltaic system to be stored on demand and this enhances the energy efficiency of the combined cooling and heating system.

SAVING HEAT ENERGY THROUGH HEAT DISSIPATION

At 65 stores in Germany, we are currently using the heat dissipated from our systems for heating purposes. This is being achieved with the deployment of heat recovery systems which make use of heat from the exhaust air generated by ventilation systems to heat buildings. This technology is also being used at selected stores in other countries where the ALDI North Group is operating: since 2013 in ALDI Netherlands, since 2014 in Poland, and from 2016 in France.

In Germany, we are currently using combined cooling and heating systems at around 80 stores. The systems are also linked to cooling units in order to make use of the dissipated heat. They also permit a real-time evaluation of energy consumption for all devices and help us to monitor the efficiency of the systems. These technologies enable us to significantly reduce the necessary heat energy required for each store. The system has been used in Belgium since 2015 and it is being expanded to other stores in 2016.

SOLAR ENERGY FOR GENERATING ELECTRICITY

We are not only improving our energy efficiency in order to reduce our greenhouse gas emissions. Renewable energies are also being increasingly used for generating electricity. Since 2012, we have been installing photovoltaic systems on more and more buildings in a number of countries. In 2015, all the installed systems in the ALDI North Group generated a joint rated output of around 14,000 kWp. This means we produced approximately 7,800 MWh of electricity – enough to supply electricity to an average of 1,950 households in Europe over the course of a year. Consequently, we were able to eliminate emissions amounting to some 4,680 metric tons of CO₂.

We only use a part of the electricity generated by our photovoltaic systems. In 2015, the proportion was around 64 percent. Excess energy that we do not use ourselves is fed into the electricity grid – for example when more electricity is generated in the summer than we are able to use. We are currently testing a new configuration of solar modules at the German locations so that they can provide

a more uniform output distributed over the course of the day. Alignment with combined cooling and heating systems enables us to increase our own share of generated solar energy that we are able to use for our own purposes (see page 73). This not only reduces our CO₂ emissions but also makes sense from an economic point of view.

ON THE JOURNEY TO CLIMATE FRIENDLY TRANSPORT LOGISTICS

Our mission is for customers to have fresh produce and full shelves every day. We ensure that this is the case with efficient logistics for transporting our goods. We use optimum transport routes and pool our flow of goods where it increases efficiency. This enables us to reduce the fuel consumed for our transport vehicles and cut greenhouse gas emissions at the same time. We also reduce our fuel requirement by mounting roof spoilers on trucks, which reduce the drag coefficient for our transport vehicles, and by using low rolling resistance tyres. We are also reviewing alternative power units for our trucks in Germany.

In 2015, the ALDI North Group transported goods with a total volume of 29 million euro-pallet spaces between our 74 distribution centres and more than 4,800 stores. We undertake most of these [transport journeys](#) ourselves. Our vehicle fleet consists of 1,620 trucks for carrying out this logistic operation. The proportion of deliveries made by the vehicle fleet operated by the ALDI North Group amounts to 89 percent – this means we are able to exert a direct influence on the logistic processes. Poland, Portugal and Spain are the only countries where we do not operate our own vehicle fleet. In 2015, the fuel consumption of our logistic operation amounted to 19 percent of our energy requirement and caused around 13 percent of our CO₂ emissions. Diesel represented the biggest share of our fuel consumption at 99 percent.

We work continuously on optimising deliveries to our stores in order to reduce our fuel consumption. All the trucks from the ALDI North Group are scheduled to leave our distribution centres with full payloads. Efficient route planning enables us to reduce the number of necessary journeys. In future, we will be in a position to provide

Transport routes

The average distance between a distribution centre and a store is around 40 km for our German locations and an average of 90 km throughout the group of companies.

CO₂ calculation

In 2015, we produced 7,800 MWh of electricity – theoretically enough electricity for 1,950 single family houses. An average annual consumption of 4,000 kWh per household was used as a basis for calculation.



We carry out most deliveries between our distribution centres and stores with our own fleet of 1,620 trucks.

Our innovative use of renewable energies

Since November 2015, a combined cooling and heating system has been coupled with an energy storage system at a new ALDI North Group store in Greven, Westphalia. The concept is based on a solution that we developed in our Total Energy project. The store is also equipped with a photovoltaic system positioned with an ideal alignment to the sun, which can generate uniform quantities of electricity in the morning and the evening. So that we can use excess energy – for example from the middle of the day – at other times, we deploy modern storage technologies: ice storage and concrete core activation. This enables us to largely eliminate the use of fossil energy sources.

Netherlands: green electricity from renewable sources

ALDI Netherlands is a member of the Sector Agreement of the Dutch Food Trading Association (Centraal Bureau Levensmiddelenhandel – CBL). This sector agreement states that ALDI Netherlands has made a commitment to insource at least ten percent of its electricity requirement from renewable sources – on top of the existing proportion of renewable energy in the energy mix of the country. A total of some 7,800 MWh of certified green electricity was purchased.

Sunny prospects in Portugal: photovoltaic systems supply electricity for stores and electric cars

In 2015, ALDI Portugal started operating a photovoltaic system for the first time at its store in Marinha Grande. After a month, a comparison of the meter readings demonstrated that purchasing electricity from the grid was reduced by 61 percent. Photovoltaic systems have meanwhile been installed at another eight stores. Following approval by the Portuguese Economics Ministry, these systems are scheduled to be linked up with the grid in 2016. ALDI Portugal is also planning a pilot project for 2016 which will involve setting up a charging station for electric cars in the customer car park of a store. Photovoltaic electricity will be used as the source of power for this charging facility.

Number of vehicles

Number of vehicles on the reference date 31 December by type of vehicle

	2014			2015		
	Number of trucks	Number of cars	other vehicles ¹	Number of trucks	Number of cars	other vehicles ¹
Belgium/Luxembourg ²	213	180	7	217	185	8
Denmark	55	86	5	56	89	5
Germany	914	850	73	909	909	74
France	236	310	27	238	314	23
Netherlands	201	184	8	200	188	8
Poland	–	65	2	–	64	2
Portugal	–	37	1	–	41	1
Spain	–	144	–	–	159	–
ALDI North Group	1,619	1,856	123	1,620	1,949	121

¹ These include industrial trucks (forklift trucks) and vehicles with LPG drives.

² ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).

even better analysis of goods movements with the help of a new inventory control system – in 2015, it was already successfully tested at our regional companies in Germany. By 2017, we want to have tested the use of alternative power units for vehicles which are more climate friendly.

AVOIDING AND RECOVERING WASTE

Waste avoidance is a key target of our sustainable development. Where waste has not yet been eliminated, waste materials are recovered and forwarded for reuse. In some countries, we have a statutory obligation to recover waste. The biggest proportion of waste in food retailing is comprised of transport packaging and food that can no longer be sold. The results of our data capture also confirm this. Packaging waste makes up around 83 percent and this is the biggest proportion of the total waste generated by the ALDI North Group in Germany.

In order to avoid waste, we use multiple-use systems for our transport packaging wherever

it makes economic and environmental sense. Most of our fruit and vegetable products are transported in multiple-use boxes instead of conventional cardboard packaging. The system is used in Belgium, Denmark, Germany, France, Luxembourg and Portugal. It was introduced in Spain at the beginning of 2016.

However, single-use packaging is unavoidable in many cases in order to protect our products during transport. In Germany, we use foils and boxes made of recyclable materials so that these can be recovered. The proportion of recovered transport packaging was 100 percent in 2015. The recycling rate of all non-hazardous waste reached 98 percent over the same period.

We plan our goods inventories carefully. Nevertheless, we are not always able to sell all food with short use-by dates. Stores located within the catchment area of a food charity donate a lot of their food which can still be consumed but is no longer saleable. In Germany, the proportion of stores which donate food to aid



Solo toilet tissue

FSC®-certified and awarded with the Danish Svanemærket ecolabel

Fuel consumption

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

	2014			2015		
	Diesel ¹ (l)	Petrol (l)	LPG (kg)	Diesel ¹ (l)	Petrol (l)	LPG (kg)
Belgium/Luxembourg ²	3,991,141	–	–	4,215,607	–	–
Denmark	1,428,007	304	924	1,513,990	–	913
Germany	16,346,023	9,856	20,435	16,335,662	7,368	21,365
France	5,640,054	–	10,498	5,858,537	–	9,737
Netherlands	3,553,070	–	–	3,575,724	–	–
Poland	148,367	–	781	144,629	–	1,386
Portugal	98,623	–	400	100,883	–	600
Spain	406,376	–	–	404,581	–	–
ALDI North Group	31,611,661	10,160	33,038	32,149,613	7,368	34,001

¹ Including consumption of heating oil for operation of cooling motors (outside Germany).

² ALDI Belgium and ALDI Luxembourg are legally independent companies (see "About this Report", page 84).



The ALDI North Group carrier bag: symbol for quality at a low price

Long-life and manufactured to conserve resources. Since 2014, the long-life shopping bag has been complementing our range of loop handle bags and cooling bags, and bakery product bags and string net bags for fruit and vegetables. Used PET bottles are the main material used for the manufacture of long-life shopping bags. In 2015, we sold more than six million long-life shopping bags to our customers.

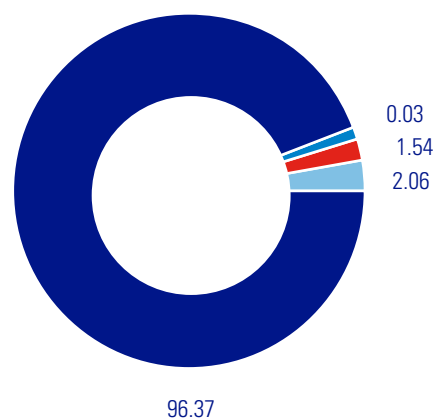
For many years, the rather smaller loop-handle bag has been part of the cityscape in countries where the ALDI North Group is operating. This bag also helps to conserve resources since it is manufactured from recycled plastic. The proportion of recycled material is at least 80 percent. Foil waste from used transport packaging is used and this comes from a number of sources including our logistics. For more than 15 years, it has been certified with the Blue Angel environmental label. Furthermore, we will review the introduction of additional sustainable alternatives to the range of bags in our stores in 2016 (see page 21).

Amounts of waste by methods of disposal 2015

Amounts of waste in Germany proportionately by the type of disposal (in percent)¹

The recycling rate of 98.4 percent was calculated excluding landfill and mass incineration.

■ Recovery and recycling²
■ Landfill
■ Incineration (mass incineration)
 ■ Composting



¹ Allocation to types of disposal is based partly on estimates or extrapolations.

² Including incineration for energy recovery.

Amount of waste

Amount of waste by type of waste (in metric tons)¹

The amount of waste in Germany essentially remained constant compared with 2014. The biggest proportion of the waste generated was attributable to packaging waste. Hazardous waste amounting to 493 metric tons only made up 0.3 percent of the total volume of waste. This includes used oil, oil filters, vehicle batteries and fluorescent tubes which contain mercury. The scope of data capture is to be expanded for the next sustainability report to other countries where the ALDI North Group is operating.

	2014	2015
	Germany	Germany
Hazardous waste	490	493
Paper/board/card	426	432
Residential waste ²	20,006	22,129
Waste from the manufacture and processing of food ³	6,859	8,173
Packaging waste	156,461	156,658
of which foil/plastics	3,966	4,063
of which board/paper	121,024	121,331
of which PET	31,471	31,264
Used equipment	39	70
Total amount of waste	184,281	187,955

¹ The data include extrapolations.

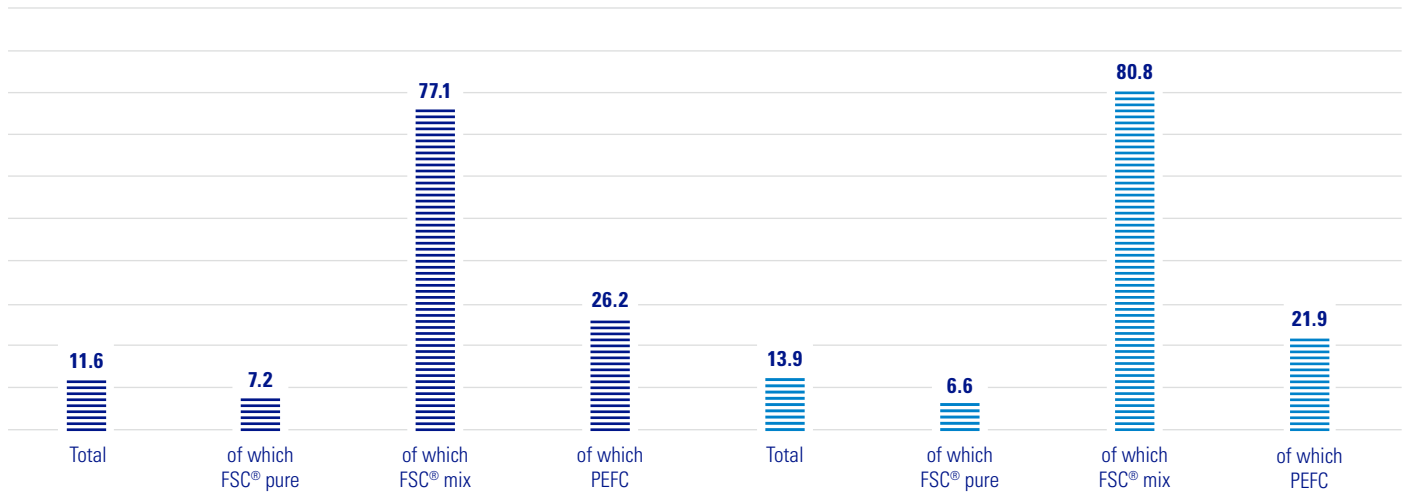
² Industrial waste. This includes "residual waste", packed food, bulky waste, wood and metal scrap.

³ This includes waste from canteen operation and bake-off goods.

FSC® and PEFC-certified primary packaging

Proportion of own-brand products in which primary packaging was manufactured with resources from FSC® or PEFC-certified forests, broken down by certification type (in percent)^{1,2}

■ 2014 ■ 2015



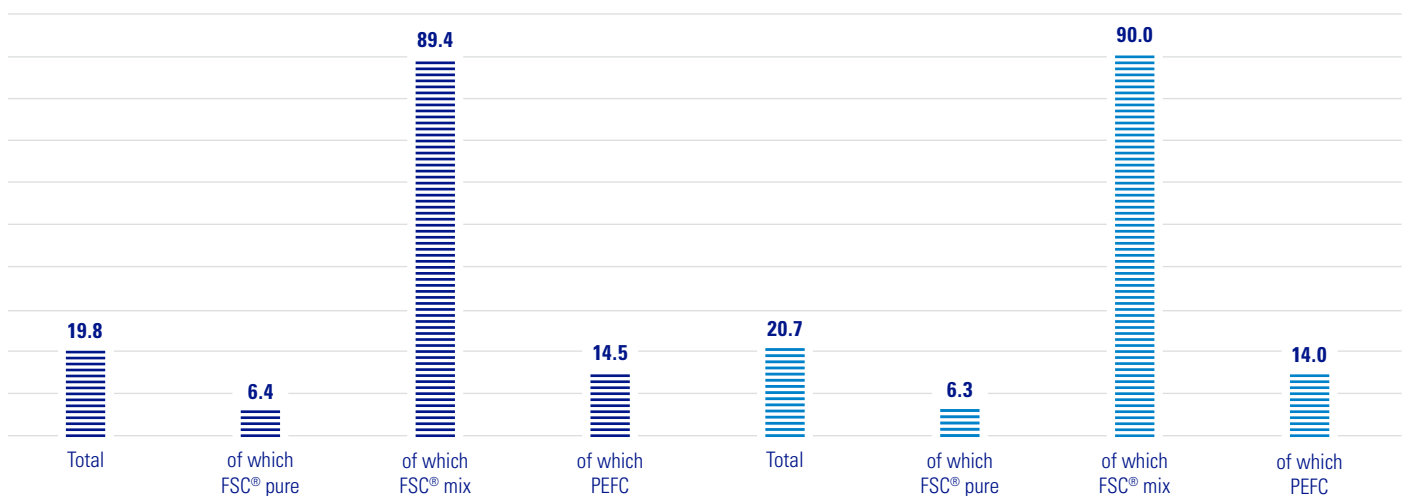
¹ Some of the data are based on extrapolations.

² Products which are certified with several seals are listed in the breakdown under all the affected categories, but only as one product in the total number. The total for the breakdowns may therefore be more than 100 percent.

FSC® and PEFC-certified secondary packaging

Proportion of insourced own-brand products in which secondary packaging was manufactured with resources from FSC® or PEFC-certified forests, broken down by certification type (in percent)^{1,2}

■ 2014 ■ 2015



¹ Some of the data are based on extrapolations.

² Products which are certified with several seals are listed in the breakdown under all the affected categories, but only as one product in the total number. The total for the breakdowns may therefore be more than 100 percent.



Packaging waste is consistently recovered.

organisations (see page 53) was 98 percent in 2015, and 77 percent in Spain. We also donate food in other countries. In 2016, a pilot project was launched at two regional companies in the Netherlands. There is a statutory obligation to donate in France – ALDI therefore pursues the objective in France of generating no waste by making donations and through recovery. In 2017, we will introduce a guideline on dealing with food that is no longer saleable, with the aim of further expanding the practice of donating and standardising throughout the Group (see page 21).

Wood, board, paper

Around 15 percent of the material used for product packaging in 2015 was made of wood, board or paper. This proportion was 95 percent for outer packaging.

Sustainability seals

Including: Forest Stewardship Council (FSC®), Programme for the Endorsement of Forest Certification (PEFC) or Blue Angel

DEVELOPING MORE SUSTAINABLE PRODUCT PACKAGING WITH SUPPLIERS

We are not simply concerned about transport packaging, but environmentally compatible product packaging for products is also a top priority. That is why we lay down in the buying process that our suppliers should use sustainable materials as far as possible for the packaging of our goods and should not use, for example, PVC and composite materials, if reasonable and possible. Our focus in the case of wood, board and paper is on recycled materials and resources harvested from [sustainable forestry management](#). In 2015, 14 percent of our product packaging and around

21 percent of our outer packaging was made using paper constituents certified with a [sustainability seal](#). A planned purchasing policy is scheduled to regulate the issue of packaging from 2017 in order to increase the proportions of recycled and certified materials.

CAREFUL APPROACH TO WATER AS A RESOURCE

The operation of a store in the ALDI North Group generally requires less water than an average four-person household. In 2015, we used approximately 548,300 cubic metres of water throughout the ALDI North Group, 432,000 cubic metres of this were used in our stores. We use efficient engineering to save water. For example, baking ovens that are self-cleaning without the addition of water are used in most countries. Furthermore, we also use energy-saving cleaning equipment fitted with efficient dispensing technology and biologically degradable cleaning agents in order to reduce wastewater contamination. When we make decisions on landscaping our facilities in Spain, we cultivate our landscaped areas with plants adapted to the climate so that the amount of water required for irrigation purposes is low. We regularly analyse the data at our locations in order to identify starting points for reducing consumption.

GRI Content Index



The Sustainability Report 2015 of the ALDI North Group was prepared on the basis of the globally recognised guidelines of the Global Reporting Initiative (GRI). The report was drawn up in compliance with the "In accordance" ("Core" option) of the new GRI Guidelines G4 including the "GRI Food Processing Sector Supplement". The GRI confirmed the correct positioning of the General Standard Disclosures G4-17 to G4-27 with the GRI Materiality Disclosures Service. The index shown here is an abbreviated version and is completed by supplementary information provided at www.cr-aldinord.com/2015/en/key-figures-standards/#gri-index

GRI Indicator	Page & Supplement	External Assurance	
General Standard Disclosures			
STRATEGY AND ANALYSIS			
G4-1	Statement from the most senior decision-maker	SR 11, 21ff.	
ORGANISATIONAL PROFILE			
G4-3	Name of the company	ALDI Einkauf GmbH & Co. oHG	
G4-4	Primary brands, products and services	SR 14, cover	✓
G4-5	Location of the headquarters	Essen, Germany	
G4-6	Countries with major operations	SR cover	
G4-7	Nature of ownership and legal form	SR 17, 84	
G4-8	Markets served	SR cover	
G4-9	Scale of the reporting organisation	SR 20, 72, cover <i>Information on total capitalisation is treated as confidential. No disclosure is therefore made beyond the statutory requirements.</i>	
G4-10	Breakdown of workforce by gender and regions	SR 18, 58, 61ff. <i>At the ALDI North Group no substantial portion of the organisation's work is performed by workers who are legally recognised as self-employed.</i> <i>The ALDI North Group strives to achieve long-term employment relationships. There are no seasonal variations in employment.</i>	
G4-11	Percentage of total employees covered by collective bargaining agreements	SR 57f.	
G4-12	Description of the supply chain	SR 14, 24ff.	
G4-13	Significant changes during the reporting period regarding the company's size, structure, ownership or its supply chain	SR 17f., 26 <i>We strive to build long-standing partnerships with our suppliers and we have a large base of suppliers. There are no substantial changes in the relationships with our suppliers.</i>	
G4-14	Implementation of the precautionary principle	SR 38f., 44f., 66f.	
G4-15	List of external agreements, principles or other initiatives	online	✓
G4-16	Memberships of associations and advocacy organisations	online	
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	List of consolidated companies and consolidated financial statements	SR 84 <i>The publisher of the report is ALDI Einkauf GmbH & Co. oHG, Essen. The legally independent companies of the ALDI North Group (no group of consolidated companies) prepared their own financial statements.</i>	
G4-18	Process for selecting the report content	SR 16f., online	✓
G4-19	All material aspects defined	SR 16f., online	✓
G4-20	Material aspects within the company	online	✓
G4-21	Material aspects outside the company	online	✓
G4-22	Restatements of information provided in comparison with previous reports	first report	
G4-23	Important changes in the report scope and the aspect boundaries	first report	

GRI Indicator		Page & Supplement	External Assurance
STAKEHOLDER ENGAGEMENT			
G4-24	Stakeholder groups engaged by the company	SR 19f.	✓
G4-25	Identification and selection of stakeholder groups	SR 19	✓
G4-26	Approach to stakeholder engagement	SR 19f.	✓
G4-27	Key topics and concerns of stakeholders and response of the company	SR 19f.	✓
REPORT PROFILE			
G4-28	Reporting period	SR 84	
G4-29	Date of the most recent previous report	SR 84	
G4-30	Reporting cycle	SR 84	
G4-31	Contact point for questions about the report	SR cover, online	
G4-32	Option of compliance "In accordance", GRI Content Index, reference External Assurance Report	SR 79ff., 82f., 84	
G4-33	External verification/assurance of the report	SR 82f., 84, GCI	
GOVERNANCE			
G4-34	Governance structure of the company including committees of the highest governance body	SR 17f.	✓
ETHICS AND INTEGRITY			
G4-56	The company's values, principles, standards and norms of behaviour such as codes of conduct	SR 12ff., 15, 17f.	✓
Specific Standard Disclosures			
ENVIRONMENTAL			
Aspect	Materials – Management approach	SR 66f., 74ff., 78	
G4-EN1	Materials used by weight or volume	SR 27, 30ff., 33, 35, 77, online, GCI	
Aspect	Energy – Management approach	SR 66ff., 68f., 71f., online	
G4-EN3	Energy consumption within the organisation	SR 68f., 72, 75, online, GCI SR 68 (Energy consumption), online (Own consumption)	✓
Aspect	Emissions – Management approach	SR 66f., 68f., 71f., online, GCI	
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	SR 70f., 84, GCI	
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	SR 70f. <i>see also G4-EN 15</i>	
Aspect	Effluents and waste – Management approach	SR 48f., 53ff., 66f., 74f., 78	
G4-EN23	Waste by type and disposal method	SR 76, GCI	
Aspect	Products and services – Management approach	SR 24ff., 42f., 44ff., 48ff., 78	
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	SR 35, 45, 74ff., 78, online SR 27 (Fish), 31 (Palm oil), 32 (Cocoa), 33 (Coffee), 49 (Organic)	✓
Aspect	Transport – Management approach	SR 66f., 72	
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce	SR 16f., 66f., 68ff., 72, 74f., online, GCI	
Aspect	Supplier environmental assessment – Management approach	SR 24ff., 29, 31ff., 36, 40ff., GCI <i>see also aspect: Supplier assessment for labour practices – Management approach</i>	
G4-EN33	Significant environmental impacts in the supply chain	SR 27ff., 31f., 33f., 36, 41, online, GCI	

GRI Indicator		Page & Supplement	External Assurance
LABOUR PRACTICES AND DECENT WORK			
Aspect	Training and education – Management approach	SR 62ff., 65	
G4-LA9	Average hours of training	SR 64f., GCI	
Aspect	Diversity and equal opportunity – Management approach	SR 57f., 59, online	
G4-LA12	Composition of governance bodies and breakdown of employees according to indicators of diversity	SR 58f., online, GCI	
Aspect	Supplier assessment for labour practices – Management approach	SR 24ff., 31f., 33ff., 36, 38f., 40f., GCI	
G4-LA14	Percentage of new suppliers that were screened using labour practices criteria	SR 36, 38	
HUMAN RIGHTS			
Aspect	Freedom of association and collective bargaining – Management approach	SR 24f., 38f. 41	
G4-HR4	Operations identified in which the right to exercise freedom of association and collective bargaining are at significant risk, and measures taken to support these rights	SR 38f., GCI	
Aspect	Supplier human rights assessment – Management approach	SR 24f., 38f., 40f., GCI <i>see also aspect: Supplier assessment for labour practices – Management approach</i>	
G4-HR10	Percentage of new suppliers that were screened using the human rights criteria	SR 38	
G4-HR11	Significant human rights impacts in the supply chain	SR 38, GCI <i>see also G4-HR4</i>	
SOCIETY			
Aspect	Anti-competitive behaviour – Management approach	SR 20, online	
G4-S07	Total number of legal actions for anti-competitive behaviour, antitrust and monopoly practices and their outcome	GCI	
PRODUCT RESPONSIBILITY			
Aspect	Customer health and safety – Management approach	SR 42ff., 48f., 52, 74f., 78	
G4-PR1	Impacts of products on human health and safety	SR 44, 46	
Aspect	Product and service labelling – Management approach	SR 44f., 48ff., 51f., 53, GCI	
G4-PR3	Principles and procedures for product labelling and percentage of product and service categories subject to such information requirements	SR 44f., 48ff., 51f., GCI	
Food Processing Sector Disclosures			
Aspect	Animal welfare – Management approach	SR 26, 28ff.	
FP13	Total number of incidents of significant non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling and slaughter practices for live terrestrial and aquatic animals	GCI	
Aspect	Healthy and affordable food – Management approach	SR 48ff., 52	

Key:

SR Page in the Sustainability Report 2015


GCI More information in the GRI Content Index (online)

Online More information at www.cr-aldinord.com and www.aldi-nord.de



Certification on an independent audit

TO ALDI EINKAUF GMBH & CO. OHG

In accordance with our engagement we carried out an independent audit on achieving limited assurance regarding the selected information and key figures in the sustainability report 2015 compiled by ALDI Einkauf GmbH & Co. oHG for the company group ALDI North (in the following referred to as "company") for the reporting period from 01-01-2015 to 31-12-2015.¹ Within the scope of our audit the selected information and key figures were marked with a symbol  in the sustainability report.

RESPONSIBILITY OF THE LEGAL REPRESENTATIVE

The management of the company is responsible for compiling the sustainability report in agreement with the criteria specified as well as internal guidelines stated in the principles of reporting and standard information G4 of the Global Reporting Initiative (GRI).

This responsibility comprises selecting and applying suitable methods to compile the sustainability report as well as making assumptions and carrying out estimates on individual sustainability data which are plausible under the prevailing circumstances. The responsibility also comprises the concept, implementation and maintenance of systems and processes if they are of significance for compiling the sustainability report.



INDEPENDENCE AND QUALITY CONTROL OF THE AUDITING COMPANY

In carrying out the engagement we have adhered to the requirements of independence as well as further professional regulations which are based on the fundamental principles of integrity, objectiveness, professional competence and suitable care, non-disclosure as well as conduct in compliance with the profession.

Our quality assurance system is based on the national legal regulations and professional announcements, especially the professional rules for auditors and certified public accountants as well as the general comments of the German Chamber of Auditors (WPK) and requirement of the Institute of Public Auditors in Germany (IDW) regarding quality assurance in the practice of the auditor (regulations VO 1/2006).

RESPONSIBILITY OF THE AUDITOR

Based on the activities performed by us it is our task to submit an assessment on whether circumstances have become known to us which give us reason to assume that

- the key figures in the report of the company for the financial year 2015 essentially have not been compiled in correspondence with the criteria of the principles of reporting and standard data G4 of the Global Reporting Initiative (GRI),
- the approaches designated with a checkmark  and described in the chapter "Strategy & Management" of the sustainability report are not in correspondence with the requirements of the standard data G4-DMA of the principles of reporting and standard data G4 as well as
- the information on quantity designated with a checkmark  in the sustainability report of the company for the financial year 2015 in essential concerns have not been compiled in correspondence with the criteria of being complete, accurate, clear, up to date and reliably based on the principles of reporting and standard data.

The material examination of product-related or service-related data in the sustainability report as well as references to external documentation sources or opinions of experts as well as future-related statements were not the subject matter of our engagement.

¹ Our audit engagement comprises the German version of the sustainability report 2015 in the printed version.

NATURE AND SCOPE OF AUDIT

We have conducted our audit in compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised). Whereby, we are obligated to adhere to professional duties and to plan and carry out the engagement with due consideration to the principle of relevance in order to be able to submit our assessment with limited assurance.

In an audit to achieve limited assurance the performed audit measures are less extensive compared with an audit to achieve sufficient assurance, so that correspondingly the assurance gained is less.

The selected audit measures are at the obligatory discretion of the auditor.

Within the scope of our audit, we have for example conducted the following measures regarding the management and strategy approaches as well as the key figures designated with a checkmark ✓ :

- inspection of the files and specifications on sustainability strategy and management as well as acquiring an understanding of the organizational structure of the company;
- questioning the employees of the CR department assigned to compile the report
- commencing procedures and inspection in the documentation of the systems and processes regarding collection of sustainability information as well as spot checks examining same
- analytical assessment of relevant information as well as data which was notified for consolidation on the company group level from companies from all countries and regions
- inspection of internal documents, contracts and invoices/reports from external service providers
- estimation of the overall presentation of the selected information and key figures on sustainability performance which are comprised in the subject matter of our engagement
- visits on site at selected companies (ALDI regional companies in Germany in Datteln, Essen, Greven, Herten, Schloß Holte, Schwelm, Werl and ALDI Holding N.V. in Erpe-Mere, Belgium) for estimation of source data as well as the concept and implementation of validation processes on a local and regional level

JUDGMENT

On the basis of our audit on achieving limited assurance no circumstances have come to our attention which cause us to assume that

- the management and strategy approaches in the sustainability report designated with a checkmark ✓ are not in correspondence with the requirements of the standard specifications of G4-DMA reporting principles and standard specifications G4 have not been detected
- the key figures in the sustainability report of the company for the financial year 2015 designated with a checkmark ✓ have in essential concerns not been compiled in correspondence with the criteria of being complete, accurate, clear, up to date and reliable based on the principles of G4 of the reporting principles and standard data of GRI.

RECOMMENDATION

Without restricting the result described above, we recommend continued development and formalisation of guidelines, systems, processes and internal controlling for compiling performance indicators in the field of energy.

This certification is issued on the basis of the engagement assigned by ALDI Einkauf GmbH & Co. oHG. The audit to achieve limited assurance was conducted for the purpose of ALDI Einkauf GmbH & Co. oHG and the certification only serves as information to ALDI Einkauf GmbH & Co. oHG on the result of the audit to achieve limited assurance. The certification does not serve as a basis for decisions to be made by a third party. Our responsibility is directed only at ALDI Einkauf GmbH & Co. oHG. We shall thus not be responsible to a third party.

Essen, 4 July 2016

Flottmeyer • Steghaus + Partner
Wirtschaftsprüfungsgesellschaft · Steuerberatungsgesellschaft
(Auditing Company · Tax Consulting Company)

Ruth Beerbaum
Certified Auditor

Klaus-Peter Gauselmann
Certified Auditor

About this report

The publication of the first Sustainability Report by the ALDI North Group provides transparent information to our internal and external stakeholder groups about our material social, environmental and economic concerns and the associated issues. The report is directed in particular towards customers, employees, suppliers and business partners, as well as interested parties in the public domain.


GRI G4-17

We have analysed the issues in our Sustainability Report for their materiality and selected them carefully (see page 16). The report has been prepared taking account of the "In accordance" option core of the G4 Guidelines of the Global Reporting Initiative (GRI). The GRI confirmed the correct disclosure of the general standard information G4-17 to G4-27 with the GRI Materiality Disclosures Service. The GRI content index is provided on page 79.

Publisher

The ALDI brand stands for successful discount retailing. The brand is used by the ALDI North Group and the ALDI SOUTH Group which have family ties. ALDI Buying is the owner of the ALDI brand at the ALDI North Group.

The **publisher** of the report is ALDI Einkauf GmbH & Co. oHG, Essen (referred to below as: ALDI Buying). The shareholders of ALDI Buying are specifically ALDI GmbH & Co. KG limited partnerships which form a group of equal subsidiaries in Germany. The foreign ALDI companies are licensees of the ALDI brand. All these legally independent companies form the ALDI North Group, which is the subject of the report. Deviations with individual performance indicators or content are indicated as necessary. ALDI Luxembourg is supplied by the Buying and the Logistics department of ALDI Belgium. Nevertheless, ALDI Belgium and ALDI Luxembourg are legally independent companies, which are regularly displayed in pooled form in the report for reasons of simplicity. The reporting period covers the time from 1 January to 31 December 2015. We have taken account of significant events up to the editorial deadline on 31 March 2016.

Selected content and performance indicators for the year 2015 were the subject of an assurance engagement by the independent audit firm Flottmeyer Steghaus + Partner. They are identified by the checkmark . The independent assurance report certifying the limited assurance engagement performed is provided on page 82.

The report is available in printed form in German and other languages. When for reasons of readability, the male form is used to designate persons and functions in this report, this shall naturally be interpreted to include equally the male and female gender. The legal form of companies is also omitted for the same reasons.

The Sustainability Report of the ALDI North Group will be published every two years in future. The next report is scheduled for publication in 2018.

All content of the printed report is available on our new platform www.cr-aldinord.com. Download documents and additional explanatory information are provided there.

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We would like to take this opportunity to thank colleagues and all the other participants involved in producing this report for their support.

This report is also available in other languages. If there are any deviations from the German version, the report in German shall always be applicable.



You can also find the report on the sustainability activities of the ALDI North Group along with supplementary information and download options at



www.cr-aldinord.com

The Sustainability Report 2015 is available in the following languages:

Danish
German
English
French
Dutch
Dutch (BE)
Polish
Portuguese
Spanish

ENVIRONMENT AND CLIMATE FRIENDLY REPORT PRODUCTION

The Sustainability Report was printed on 100 percent recycled paper and was awarded the Blue Angel environmental label (RAL-UZ 195). This label has applied since 2015 and is one of the world's most stringent environmental labels.

The Circlematt White paper used for the report was made out of 100 percent recycled paper and has been certified with the FSC® and Blue Angel labels. The CO₂ emissions used in printing and production of this report were mitigated. This provided support for various climate protection projects.



Disclaimer

This report contains forward-looking statements relating to the future development of the ALDI North Group. These statements are assessments that have been made based on information available to the ALDI North Group at the time this report was prepared. The actual performance may deviate from the performance expected on the basis of the current assessments. The ALDI North Group is therefore unable to assume any responsibility whatsoever for the accuracy of these statements.



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