



2024 Modern Slavery Statement



'Tracking' is an artwork commissioned by ALDI and created by First Nations artist Amy Kilby, a proud Wiradjuri woman from the Riverina region in NSW.

Acknowledgement of Country

ALDI Australia acknowledges and respects Australia's First Nations peoples (Aboriginal and Torres Strait Islander peoples) as the Traditional Custodians of the land upon which we operate our stores, distribution centres, regional offices, and the national office. We also extend our respect to First Nations ALDI team members, contractors, business partners and customers.

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A word from our CEO

This year we release ALDI's 2024 Modern Slavery Statement highlighting the steps our organisation has taken in 2024 to continue protecting human rights across our operations and supply chains. Our approach to sustainability is founded on a respect for human rights, and this year's Statement reaffirms ALDI's dedication to transparency and accountability.

ALDI's every day low price model delivers real value and impact for Australians, however we fully acknowledge our wide-reaching impact on all those who are involved, whether by stitching, washing, packing or picking, in bringing exceptional products to our shelves.



There is no place for modern slavery in our business or our extended supply chains.

We have always been very clear about the fact that human exploitation and forced labour are not tolerated, either in Australia or globally. Honouring that commitment requires considerable diligence, investment and resources.

Our actions in 2024, evidenced in this Modern Slavery Statement, demonstrate that we thoroughly investigate any indications of possible modern slavery and do not hesitate to take action if we identify instances or risks in our supply chain.

In 2024, we undertook the following initiatives:

- Reviewed audits for 304 sites as part of our Fresh Produce Social Monitoring Program, identifying 127 risks across 77 sites that required further investigation. All cases were reviewed with actions taken.
- Focused on the delivery of new due diligence controls through the introduction of our Corporate Responsibility Supplier Evaluation (CRSE) pilot in the fresh strawberry category.

- Increased our focus on grievance mechanisms, to understand how our business partners support anonymous reporting pathways.
- Delivered modern slavery awareness training to ten key members of our Buying and Procurement teams, focusing on developing further knowledge around identifying potential risks during supplier site visits.
- Embedded our Business Partner Sustainability Standards (BPSS) into our merchandise and goods-not-for-resale contracts.

We believe that by sharing our journey openly, we can assure our customers that the ALDI products they purchase are sourced responsibly and with consideration for the human rights impact.

Anna McGrath
Chief Executive Officer



Our business structure, operations, and supply chains

ALDI Australia Operations

This Statement was prepared by ALDI Stores (A Limited Partnership) ABN 90 196 565 019 and covers the reporting period of 1 January to 31 December 2024.

ALDI Australia is a grocery retailer which offers approximately 1,800 every day food and household products. We also offer twice weekly 'Special Buys' which range from home and garden appliances to clothing and outdoor equipment.

ALDI Australia is part of the ALDI SOUTH Group. Although part of a global organisation, ALDI Australia operates its business locally in order to cater to local consumer tastes and market expectations. ALDI Australia does not own or control any subsidiaries.



598
stores



> 16,700
employees



> 1,100*
Australian
Business Partners



Australia-first
buying approach



Operations powered
by 100% renewable
electricity**



88% of our packaging
was recyclable, reusable
or compostable



Raised and donated
over \$7 million for Camp
Quality since 2020



Donated the equivalent of 16 million meals to food rescue
organisations



ALDI SOUTH Group

ALDI Australia is part of the ALDI SOUTH Group, with a rapidly growing network of more than 7,000 stores in 11 countries, serving millions of customers across four continents.

The ALDI SOUTH Group consists of international operations in Austria and Germany, national operations in Austria, Switzerland, Slovenia, Hungary, and Italy (collectively referred to as HOFER S/E), as well as national operations in Germany, the USA, UK and Ireland, China, and Australia. As part of the ALDI SOUTH Group, we collaborate, support, and align our activities globally. It is with this international approach that we operate with shared purpose, as we support and work together to shape and drive ALDI's sustainability goals and outcomes.

In addition to our international and national operations, the ALDI SOUTH Group (in a joint venture with ALDI Nord) also has Corporate Responsibility (CR) Units in Hong Kong, China and Bangladesh which support the implementation of sustainability goals and activities across key sourcing countries. For more information relating to the international activities of the ALDI SOUTH Group, please visit our international [website](#).

* >1600 Total business partners

** 100% onsite and/or offsetting renewable electricity acquired from wind farms. Visit aldi.com.au/sustainability for more details.

Sustainability Strategy

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



The long-term aspiration for the Human Rights dimension is that human and environmental rights are non-negotiable and embedded into the core of our business.

Each national operation, including ALDI Australia, supports the delivery of this Strategy through activities implemented at an international level as well as further initiatives that are specific to the local market.



Our approach to sustainability governance

We recognise that strong governance is essential for managing modern slavery risk and delivering effective performance.

Sustainability committees

Within the ALDI SOUTH Group, there are two levels of Sustainability Committees: the International Sustainability Committee, and the National Sustainability Committee.

The International Sustainability Committee (ISC) consists of senior management representatives from across the global business. The ISC makes the final decision on sustainability standards that all ALDI countries must comply with, approves international ambitions and actions and monitor's progress within the scope of the Global Sustainability Strategy.

At a national level, the National Sustainability Committee (NSC) is responsible for monitoring the implementation of global standards set by the ISC and where required, defines additional specific country ambitions and actions relevant to each Strategy dimension, including human rights. For ALDI Australia, the NSC is chaired by the Chief Commercial Officer and includes representatives from all business and support units.

During the year, the NSC was presented with ALDI's 2023 Modern Slavery Statement and an update on the amendment to the *Modern Slavery Act 2018*, resulting in the creation of the Australian Anti-Slavery Commissioner.

Working groups

The ALDI SOUTH Group has a Human Rights Working Group, consisting of representatives from the International Sustainability team and the Human Rights teams of each national operation. This working group supports the delivery of the human rights dimension of the GSS.

During the year, the working group oversaw plans to input sustainability requirements into new systems and received updates on local initiatives from national teams. The working group reviewed updates to our position on forced labour and the Human Rights Due Diligence Framework.



Our supply chains

Our product range is diverse, from high-quality groceries to unique Special Buys in varied product categories. Our supply chain consists of:

- ALDI exclusive brand products
- Vendor branded products (food and non-food)
- Goods not for resale (including goods and services needed to support ALDI's operations)

Throughout this Statement you will see the work ALDI Australia is taking to identify, address, and mitigate modern slavery risks within these supply chains.

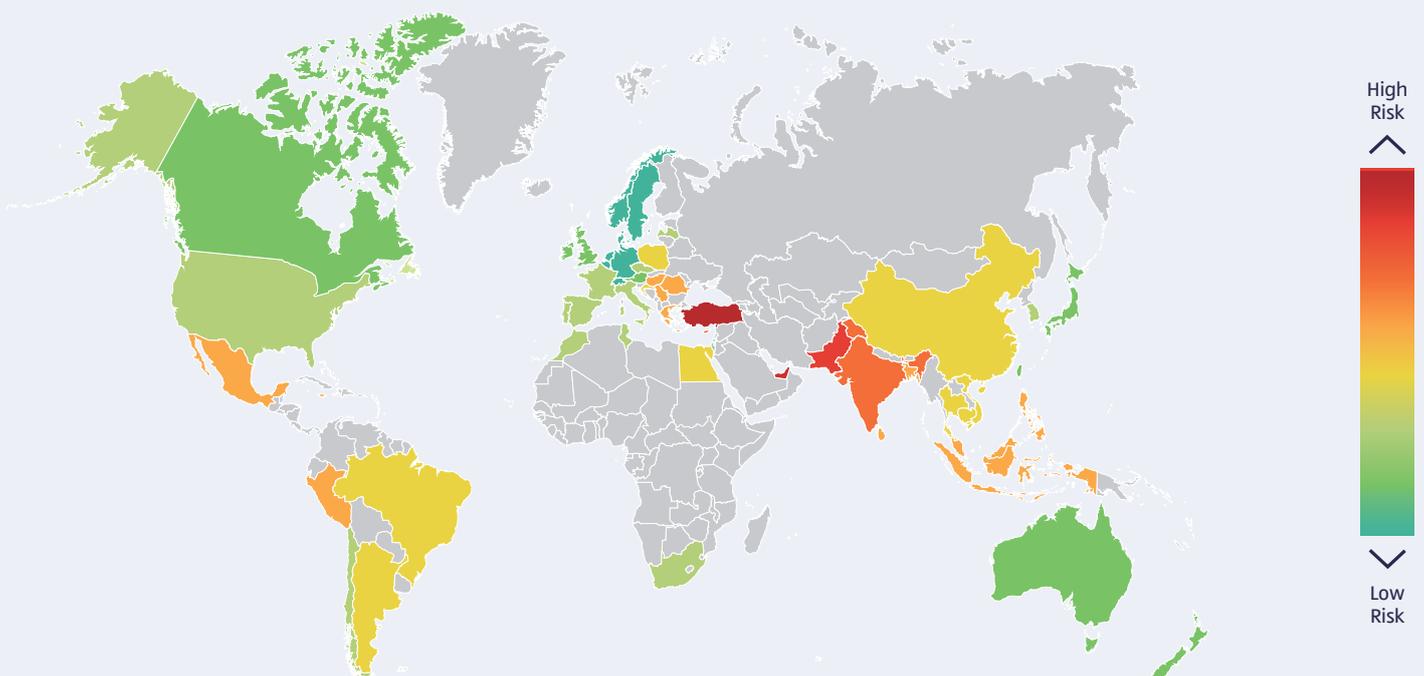


58
Sourcing countries



>1,600
Total business partners

The map below details ALDI Australia's top tier sourcing countries and their risk rating according to the Walk Free's [Global Slavery Index](#).*



*Walk Free's data is based on the prevalence of modern slavery per 1000 people and is calculated using individual and country-level risk factors of modern slavery.

Identifying our modern slavery risks

According to the United Nations Guiding Principles on Business and Human Rights (UNGPs), companies should identify actual and potential impacts on human rights, prevent and mitigate adverse impacts, control the effectiveness of measures, and ensure active engagement in remediation.



The UNGPs recognise that not all impacts can be tackled at the same time and that priority setting is necessary. Companies should prioritise impacts, supply chains, and tiers based on their human rights risk and impact analyses.

To align with this approach, ALDI recognises it is critical that the scope of any measures should be based on the following three factors:



The severity of the impact



The level of company involvement in posing a risk to human rights



The ability of the company to prevent or address the impact

There are different layers of responsibilities. A company's involvement in adverse human rights impacts can be distinguished into three categories: **'cause'**, **'contribute to'** and **'directly linked'**.

- **Cause:** A business can cause adverse human rights impact where its actions or omissions directly result in the impact occurring
- **Contribute to:** A business can contribute to adverse human rights impact where its actions or omissions have contributed to the impact occurring
- **Directly linked:** A business can be directly linked to adverse human rights impact through operational relationships, products or services, including through its extended supply chain

Risk area	Cause	Contribute	Directly Linked
Our employees	Potential to cause adverse impact		
Sourcing products in our merchandise categories (food and non-food)		Potential to contribute to or be directly linked to adverse impacts	
Fresh Produce in Australia		Potential to contribute to or be directly linked to adverse impacts	
Services and Goods not for Resale		Potential to contribute to or be directly linked to adverse impacts	



Ashbern Farms

ALDI Australia operations

We respect the rights of our people and are committed to being an inclusive and fair workplace. When evaluating ALDI Australia’s local operations, we consider the level of risk of modern slavery for our employees as low due to aspects such as adherence to the *Fair Work Act (2009)* which ensures fair pay and entitlements at Award level, and good working conditions.

Australia is inherently deemed low risk in the global context of human rights. This is in part due to a strong government response to addressing modern slavery, including the implementation of the *Modern Slavery Act (2018)* and mandatory company reporting on efforts to address and tackle modern slavery.

Our supply chain

As an international business with global supply chains, ALDI is committed to respecting human rights and the environment in its own activities and throughout its supply chains, in line with international standards. ALDI believes that long-term business success can only be ensured if responsibilities towards human rights and the environment are acknowledged and respected.

We continually assess the actual and potential human rights and environmental impacts of our business actions throughout our diverse supply chains. This process includes sustainability risk analyses, including both human rights and environmental risks, for ALDI supply chains as a whole. It also includes ad hoc risk analyses where needed, and assessments relevant to specific products and components. These assessments provide a deeper understanding of the impacts and risks related to the various stages of production in individual supply chains.



ALDI’s overall sustainability risk analysis considers all products and components from a human rights and environmental point of view.

Risk is calculated based on factors such as the country of origin, industrial and agricultural processes involved in manufacturing, raw materials used, and buying volumes. The country and product specific risk scores for human rights and environmental aspects are based on publicly available indices, audit data and grievances received, as well as internal company data.

Our risk analyses have identified the following human rights and environmental risks as salient to our diverse supply chains. In response we have integrated them accordingly into our wider policies and management systems:



Discrimination



Freedom of association



Forced labour



Gender-based violence and harassment



Child labour



Work, health, and safety



Wages and income



Deforestation and land rights



Water availability and pollution



Biodiversity loss and soil depletion

Setting requirements through policies



We set out requirements for our people and business partners through transparent policies. We acknowledge it is necessary to regularly evaluate how to improve and strengthen our approach to addressing human rights and environmental issues, which includes conducting periodical reviews of our standards and policies.



In 2024, the ALDI SOUTH Group reviewed and commenced updating our human rights policies and standards related to gender, child rights and forced labour.

ALDI requires business partners to comply with all applicable laws in the countries and regions in which they operate. The ALDI Business Partner Sustainability Standards lay out the key sustainability expectations of all our business partners. We also integrate supply chain specific requirements around sustainability and responsible sourcing into contractual agreements with our business partners.

Where applicable laws and/or ALDI requirements set a different standard of protection to international standards, such as applicable United Nations (UN) treaties and International Labour Organization (ILO) Conventions, ALDI and our business partners are to abide by the principles that provide the highest protection to potentially affected rightsholders such as workers and communities, and to the environment, to the extent permitted by applicable law.

We strongly believe that collaboration is key to succeeding in mitigating human rights impacts and expect our business partners are proactive in enforcing these requirements throughout their own supply chains.



For ALDI Australia, the operational responsibility for execution of our sustainability policies sits within our National Sustainability Department, relevant business units, and with our senior management. Collectively, we are all responsible for upholding our standards and requirements in our business and within our supply chain.

Our standards, policies, and position statements

Title	Description and importance	Communication
Sustainability Principles	<p>In all we do, we assume responsibility towards our customers, business partners, employees, the community, and the environment. Our Sustainability Principles summarise our commitments to people and planet. They guide us in our day-to-day actions.</p>	<p>The Sustainability Principles are available internally for all employees and are embedded within our Code of Conduct.</p> <p>The Sustainability Principles are available externally via our website.</p>
ALDI Business Partner Sustainability Standards	<p>The ALDI Business Partner Sustainability Standards represent our minimum requirements for business partner due diligence across their supply chains. They reflect ALDI's commitment to human rights and the environment and include the requirement for business partners to abide by such standards as the right to freedom of association, payment of minimum wages, non-tolerance for discrimination, child labour and forced labour.</p>	<p>The Business Partner Sustainability Standards are available to all employees, and externally via our website.</p> <p>For ALDI Australia, these Standards are included in Terms & Conditions for our national business partners.</p>
ALDI Human Rights and Environmental Due Diligence Policy	<p>ALDI's Human Rights and Environmental Due Diligence Policy details our approach governing all policies, requirements, and processes affecting human rights and the environment in its supply chains. ALDI's due diligence approach is implemented to ensure that its commitments towards human rights and the environment are met.</p>	<p>The ALDI Human Rights and Environmental Due Diligence Policy is available externally via the ALDI SOUTH Group website.</p>
ALDI Child Labour Policy	<p>We are committed to contributing to the prevention, identification, and remediation of child labour in all areas of our operations, including our supply chains.</p> <p>Our Child Labour Policy explains our understanding of child labour in accordance with international standards. The policy states ALDI's expectations of our business partners to ensure that child labour does not occur at production sites used for our products. It describes the actions ALDI, together with local expert organisations and our business partners, will take if a child is found at a production site, and the steps we take to prevent child labour occurring at any of our production sites.</p> <p>In 2024, ALDI commenced a review and update of our Child Labour Policy.</p>	<p>The ALDI Child Labour Policy is available externally via the ALDI SOUTH Group website.</p>

Our standards, policies, and position statements

Title	Description and importance	Communication
International Policy on Forced Labour	<p>Our International Policy on Forced Labour expands on ALDI's existing commitments to human rights and underlines our stance that any forms of servitude or slavery, or forced, bonded, indentured, trafficked, or non-voluntary labour are unacceptable throughout ALDI's supply chains. This concerns all relevant stakeholders including all business partners, production facilities, service providers and contractors.</p> <p>In 2024, ALDI commenced a review and update of our International Policy on Forced Labour.</p>	<p>The International Policy on Forced Labour is available externally via the ALDI SOUTH Group website.</p>
International Policy on Gender Equality in ALDI's Supply Chains	<p>All workers should be treated fairly. ALDI does not tolerate any form of discrimination and strives for gender equality within supply chains.</p> <p>Our International Policy on Gender Equality in ALDI's Supply Chains focuses specifically on women in supply chains, as a particularly vulnerable group who have traditionally been overlooked. We believe that by addressing the challenges women face in supply chains and supporting gender equality, we can promote greater diversity overall and support safer and more inclusive supply chains.</p> <p>In 2024, ALDI commenced a review and update of our International Policy on Gender Equality in ALDI's Supply Chains.</p>	<p>The International Policy on Gender Equality in ALDI's Supply Chains is available externally via the ALDI SOUTH Group website.</p>
International Position Statement on Living Wages and Living Incomes	<p>Everybody has the right to afford a decent standard of living. We strive to create lasting change in the global supply chain and do our part to ensure a decent standard of living for people within our food and non-food supply chains, especially for vulnerable groups, including migrant workers and women. In global supply chains, low wages and incomes often coincide with other human rights related issues such as discrimination, gender inequality, excessive overtime, child labour or forced labour. Addressing poverty is a complex and systemic challenge that requires intense collaboration between multiple stakeholders.</p> <p>Our International Position Statement on Living Wages and Living Incomes demonstrates how we are committed to working towards living wages and living incomes in our supply chains.</p>	<p>The International Position Statement on Living Wages and Living Incomes is available externally via the ALDI SOUTH Group website.</p>

Due diligence



ALDI's due diligence approach is implemented to ensure that its commitments towards human rights and the environment are met.

This commitment covers all adverse impacts that may be caused by, contributed to, or directly linked to our business operations, as well as those of our business partners.

We require ALDI employees, and our direct and indirect business partners throughout our supply chains, to respect human rights and environmental standards, in line with our Human Rights and Environmental Due Diligence Policy, and with any applicable laws, and to ensure that all business activities comply with our commitment.

While our goal is to prevent and mitigate any risks, we commit to remedial measures where ALDI's actions have caused rights to be violated, and to ensuring that remedial measures are provided in the case of violations caused by and/or contributed to by ALDI business partners.

Our approach to due diligence comprises the following actions:

- Desk-based research of our supply chains, including conducting risk assessments
- Maintaining, reviewing, and updating our standards and policies as needed
- Governance through cross-functional working groups
- Consideration of audit program, internal assessment, and onsite assessment data as part of buying decisions
- Stakeholder engagement including training of employees and business partners
- Discussions and collaboration with expert partners

Australian Fresh Produce Social Monitoring Program

We have an 'Australian First' sourcing approach for our fresh produce which means we aim to prioritise local growers unless stock is not available. As the fresh produce industry in Australia relies on temporary migrant workers, we recognise these individuals face heightened risks of exploitation and modern slavery. Factors such as immigration status, isolation, recruitment, and employment practices contribute to their vulnerability.

We work with our business partners to monitor compliance to our requirements through our Fresh Produce Social Monitoring Program (Fresh Produce SMP) and have a continuous improvement approach to social standards.

The scope of our Fresh Produce SMP covers all fresh produce sourced from Australia excluding herbs, convenience including pre-packaged salads and kits, and fresh flowers. We are currently reviewing this scope.

Our Fresh Produce SMP requires in-scope fresh produce business partners to have third-party social audits conducted on final processing facilities. We accept both Fair Farms and Sedex Members Ethical Trade Audit (SMETA) social audits. The final processing facility is defined as the last facility at which produce goes through the majority of labour, which is often where produce is packed. For growers/packers, this is the farm site and for aggregators/packers, this is the packing house. A distribution only site is not considered a final processing facility unless the product is repacked into new packaging. Business partners which fall into scope of the Fresh Produce SMP must provide a valid third-party social audit to supply ALDI Australia.

We review audit reports supplied by independent auditing bodies. Where a risk is identified in a social audit, we work closely with the business partner to validate the risk, and where confirmed we ensure satisfactory remediation, preventative measures, and continuous improvement. Corrective actions are verified by the same auditing body. If a risk is identified and not remediated to a satisfactory level, or in a timely manner, we may block the site from supplying to us and continue to work towards satisfactory remediation.

We reviewed audits for 304 sites in 2024 as part of our Fresh Produce SMP, identifying 127 risks across 77 sites. Of these, 36 findings (28 per cent) related to workplace health and safety at 33 sites. Through remediation actions, our business partners addressed 34 of the risks, improving the safety conditions at 31 of these sites. Two sites remain in the remediation process.

Issues relating to wage payments accounted for 30 identified risks (24 per cent) at 29 sites. All cases were investigated, and where substantiated we worked with our business partners to remediate and ensure that processes were implemented to address these types of issues and alleviate recurrence. Remediation efforts addressed 28 of the 30 identified risks, while two open risks (at two sites) have been addressed with pending follow up audits scheduled for 2025.

Indicators of forced labour represented 19 per cent of risks identified in 2024. We identified 24 risks across 23 sites, and 21 of these risks have been remediated. The most common findings within this risk type involved wage deductions without authorisation or contract clauses permitting such deductions without consent. Under the Horticulture Award, employers can deduct monies from an employee's wages if the employee agrees in writing and it is principally for the employee's benefit. Employer deductions could include accommodation and transport. We worked with our business partners to educate them on the importance of

using wage deduction forms and maintaining accurate records. By the end of 2024 we successfully closed 12 of 14 wage deduction findings, while two remain in the remediation process.

When a site refuses to undergo a social audit, we actively engage with the business partner to explore possibilities for conducting one. If they fail to comply, we block them from supply due to their failure to meet our social standard requirements. When a business partner is blocked, they are unable to supply ALDI Australia temporarily until we deem sufficient remediation has occurred. We blocked one site for this reason in 2024, compared with six sites blocked the previous year.

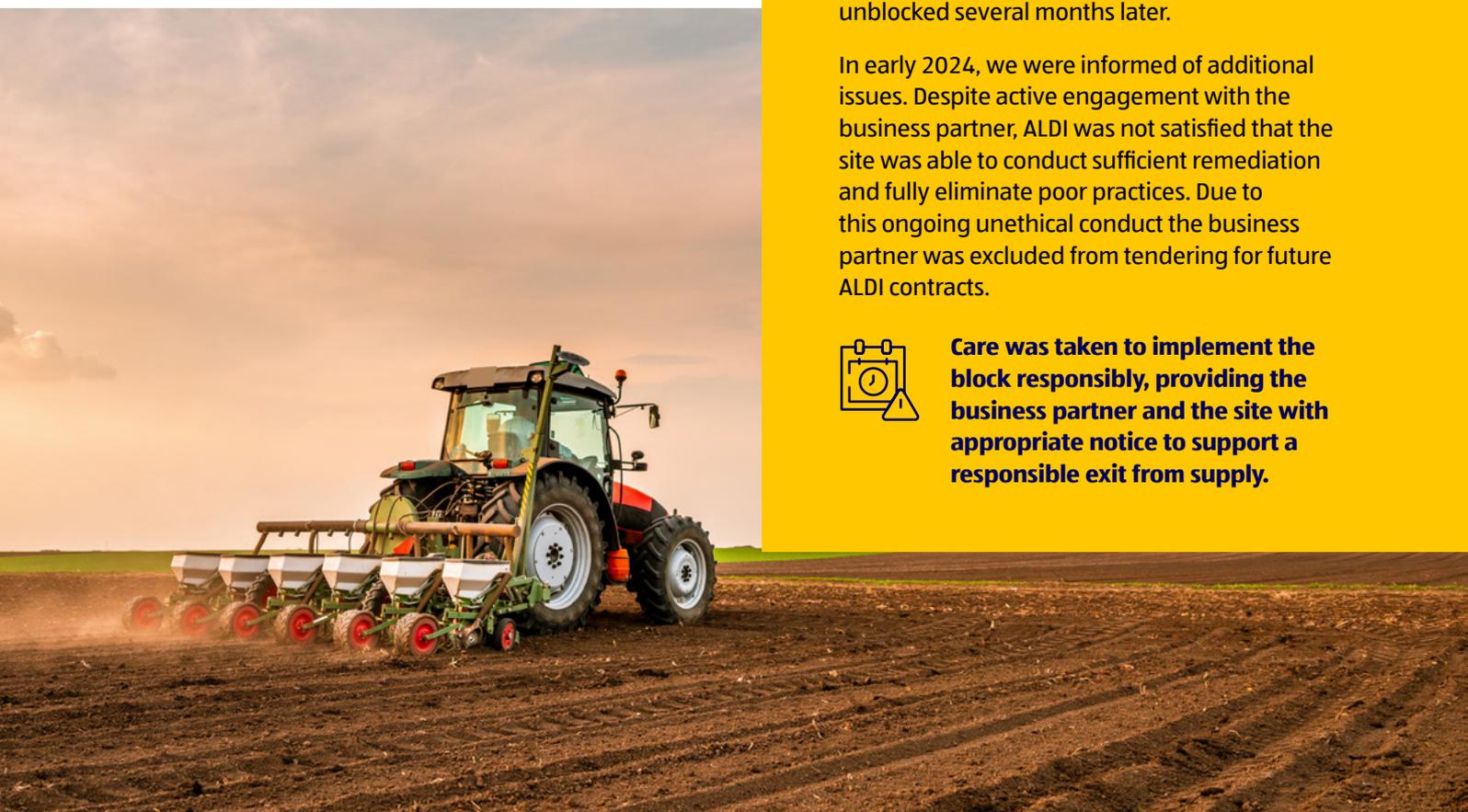
Case Study: Taking action on repeated poor performance

ALDI's Fresh Produce SMP prioritises continuous improvement and emphasises remediation whenever possible. In 2023, a fresh produce business partner demonstrated poor social compliance performance and was blocked from supply. This was due to the identification of systemic issues with underpayments, among other concerns. After working closely with the business partner to ensure satisfactory remediation could be implemented, the site was unblocked several months later.

In early 2024, we were informed of additional issues. Despite active engagement with the business partner, ALDI was not satisfied that the site was able to conduct sufficient remediation and fully eliminate poor practices. Due to this ongoing unethical conduct the business partner was excluded from tendering for future ALDI contracts.



Care was taken to implement the block responsibly, providing the business partner and the site with appropriate notice to support a responsible exit from supply.





Case Study: Inappropriate behaviour and unsafe work conditions

A business partner proactively alerted us of reports of inappropriate behaviour and unsafe work conditions faced by their migrant workforce at one of their production sites. In response to this we conducted due diligence on the business partner and the site.

Our engagement with the business partner focused on monitoring their response to the matter and ensuring the implementation of a corrective action plan.



The business partner carried out an independent investigation and identified areas of improvement to minimise risk to workers.

The business partner is taking action to update their policies as well as improving training, access to grievance mechanisms, and the monitoring of issues.

We have also increased our focus on grievance mechanisms. Workers, especially those who are vulnerable, face greater risks when they do not have a safe and confidential way to raise concerns. We require business partners to ensure fair and transparent grievance mechanisms at their production sites. We started tracking these types of non-compliances in 2024 as part of our Fresh Produce SMP. We identified that 6 per cent of non-compliances were in relation to grievance mechanisms. By the end of 2024, 18 of the 19 sites identified successfully remediated these non-compliances, while one remains in the remediation process.

A key observation was the lack of awareness and understanding among business partners and sites about the importance of implementing effective grievance mechanisms. The most common finding was the absence of an anonymous reporting pathway for grievances.



Case Study: Identifying risks during Buying team site visits

As a result of awareness training delivered by Slave-Free Alliance, the Fresh Produce Buying team improved their skills in identifying and addressing potential risks during site visits.



A few weeks after the training, several Buying team members visited a mushroom production facility and raised concerns about workplace health and safety, as well as a business practice that conflicted with our sustainability standards.

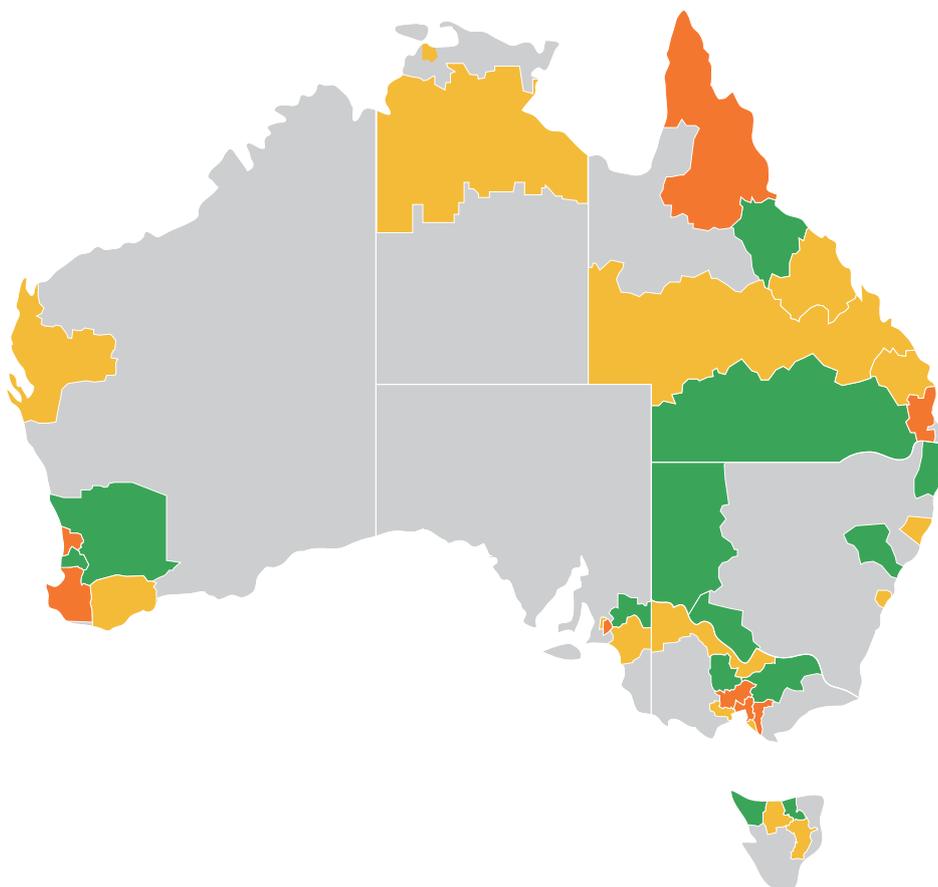
During the site visit our Buying team directly addressed the issues with our business partner and promptly notified our Sustainability team. With the Sustainability team's guidance, the Buying team led the effort to ensure this business partner took corrective actions. The business partner successfully addressed the non-compliances, implementing new processes and preventative measures.

This case demonstrates the effectiveness of our modern slavery awareness training, which equipped our Buying team with the knowledge and confidence to identify and address poor social practices during business partner interactions and site visits.

Australian fresh produce map

The map shows the regions we source produce in scope of our Fresh Produce SMP and the number of risks found.

- 0 risks identified
- 1-5 risks identified
- >6 risks identified
- No produce sourced from this region



Global Social Monitoring Program

ALDI Australia works to continuously improve workers' rights, pay, and conditions throughout our international supply chains. Like our Fresh Produce SMP locally, we monitor our business partners' main production facilities through third-party social audits.

In 2024 the largest number of risks in our global supply chains were found within the categories of household textiles, garments textiles and housewares. The below table outlines some of the most common risks found within each category.



 Household Textiles	 Garment Textiles	 Housewares
Including bathroom and kitchen textiles, bedding, rugs and non-textile floor mats	Including Ladies, Men's, Children's and Unisex textiles	Including decorations and kitchen appliances, accessories and utensils
<ul style="list-style-type: none"> ■ Delayed or underpayment of wages ■ Non-transparency ■ Unauthorised subcontracting 	<ul style="list-style-type: none"> ■ Work, health and safety ■ Unauthorised subcontracting 	<ul style="list-style-type: none"> ■ Work, health and safety ■ Non-transparency

On a global level, we recognise third-party audits and certificates from the following standards:

- amfori BSCI
- Sedex Members Ethical Trade Audit (SMETA)
- Ethical Supply Chain Program (formerly ICTI Ethical Toy Program)
- SA8000
- Fair Wear Foundation
- Responsible Business Alliance (RBA)
- Global Seafood Alliance (GSA) Seafood Processing Standard (SPS)

The CRUA review audits and conduct business partner communication, remediation activities, and reporting.

When a risk is identified for a product in ALDI Australia's supply chain, our team in Hong Kong alert our National Sustainability Department, which coordinates communication with national stakeholders such as the relevant Buying representatives. This ensures effective and timely communication with our Buying teams.

The scope for our Global SMP includes main production facilities located in high-risk countries according to independent risk ratings, for the following categories:

- All non-food products
- Food products sourced internationally in the categories
 - i. Fish and seafood
 - ii. Processed produce and canned meats
 - iii. Oils and condiments
- Store Uniforms



We work closely with the ALDI Corporate Responsibility Unit in Asia (CRUA), Hong Kong, China who take responsibility for the Global Social Monitoring Program (Global SMP).

ALDI Australia has recognised an increased risk for supply chain workers in Thailand.

As a result, we additionally require the adjacent product types that are produced in Thailand to meet our Global SMP requirements.



Alcohol



Rice



Chips, snacks and nuts



Dried fruits



Nut spreads



Coffee and cocoa beverage products



Pet food

ALDI Sustainability Assessments

ALDI Sustainability Assessments (ASA) are a key tool used to monitor production sites within our supply chain. Our teams in Hong Kong and Bangladesh, as well as select third-party auditors trained on ALDI's requirements, conduct assessments on an announced, semi announced, or unannounced basis. We invite business partners to attend announced ASAs so they understand any changes or remediation that needs to occur at the production site. Whilst our Global SMP provides insight into what is happening within our supply chain, ASAs provide us with further clarity and information as to what is happening on the ground at production sites.

ASAs are conducted to further investigate a finding raised through the Global SMP, as a key component of the Corporate Responsibility Supplier Evaluation (CRSE) Program, or after receiving information via a third-party such as Non-Government Organisations (NGOs), anonymous contacts, or worker grievance channels.

We conducted 158 ASAs in our global supply chains for the ALDI SOUTH Group and 2 ASAs in Australia as part of our fresh strawberry CRSE pilot. We detected risks at 72 sites and began corrective actions with relevant business partners.

Supplier evaluations

The Corporate Responsibility Supplier Evaluation (CRSE) program focuses on working with business partners to help assess, rate, and raise our business partners' ability to manage the social and environmental compliance components of supply chains based on ALDI's sustainability requirements. Where relevant, we explore the opportunity for improvements within their existing organisational structure, policies, monitoring, remediation, and capacity building programs.

The CRSE program is managed by ALDI SOUTH Group's International Sustainability team and is comprised of five main components:



ALDI Australia participates in the CRSE across the following commodity groups:



Garment textiles



ALDI store uniforms



Shoes



Household textiles



Fish and seafood (canned, frozen, fresh, and chilled)



We want to continue to use our influence to respect and support human rights. As the results of the CRSE Program are considered as part of the Buying process, we encourage business partners to continuously improve their sustainability performance.

Business partners who receive a C and D rating must improve their performance. If a D rating is received for two consecutive years, the business partner will be delisted.



We are continuing to progress towards our commitment of sourcing 80 per cent of our buying volume from A and B rated business partners within the CRSE commodity groups.

A delisted business partner will remain delisted for a minimum of 12 months before they are able to undergo re-approval to supply. They must receive a rating of A, B, or C to be able to be relisted. New business partners must meet the same criteria.

Currently, the ALDI SOUTH Group CRSE also covers the fresh produce categories of bananas, pineapples, avocado, citrus and mangoes. Differently to the other ALDI SOUTH Group countries, ALDI Australia sources 97 per cent of our fresh fruit and vegetables from within Australia, with a very limited volume of imported produce. Due to our focus on Australian sourcing, we piloted our own Australian CRSE in 2024. Our pilot focused on the berries industry, which is a high risk in the Australian fresh produce category.



Case Study: CRSE Berries pilot



In 2024, ALDI Australia completed a Corporate Responsibility Supplier Evaluation (CRSE) pilot in the fresh strawberry category.

Three business partners took the opportunity to participate, and the program was not made mandatory.

We commenced the process by issuing a self-assessment questionnaire (SAQ) to the participating business partners relating to their sustainability operations, policies, and practices (including risk assessments, recruitment practices, grievance mechanisms, etc.). We also asked specific questions that aligned to the local industry, including on the topics of the use of labour hire providers, migrant workers, and worker accommodation. This related to the business partner's overall operations and not a specific site.

Following completion of the SAQ, an ALDI Sustainability Assessment (ASA) was arranged at one of the business partner's sites chosen by ALDI. Due to unforeseen weather conditions only two out of three ASAs could be conducted.

Two representatives from ALDI Australia's National Sustainability team attended the ASAs with assistance from a qualified third-party social auditor. The onsite ASA consisted of an opening meeting, farm and factory tour, worker interviews, and documentation reviews on policies, procedures, workers remuneration and hours worked, followed by a closing meeting with the business partner and/or site management.

Both sites visited are approved employers under the Pacific Australia Labour Mobility (PALM) scheme and are required to provide accommodation as one of the many conditions of being an approved employer. We visited the accommodation to ensure the living arrangements were safe and adequate for the workers.

We conducted an evaluation following the SAQ and ASA, and each business partner received a rating.

The ASA component of the CRSE pilot was both informative and valuable, identifying the need to enhance grievance mechanisms in the industry as well as to consider the audit burden on our sites and farmers. Currently our business partners may be expected to undergo third-party social audits, retailer specific audits and unannounced regulatory visits. During one of our ASA visits, the business partner juggled ALDI's announced site visit in addition to separate, unannounced visits from Australian Border Force and Fair Work.

Moving forward ALDI Australia is considering a plan to add a sustainability and social compliance component to select Buying department visits and business partner reviews. This will create purposeful connections with our business partners, whilst addressing the key areas for improvement identified during our CRSE pilot.

Human Rights Impact Assessments

ALDI has committed to conducting twelve comprehensive human rights impact assessments (HRIAs) by the end of 2025. These assessments follow a stringent methodological approach that includes extensive background research and engagement with rightsholders. HRIAs help us identify, understand, and evaluate the potential and actual adverse impacts of our business activities on workers and other affected rightsholders, such as community members, smallholder farmers, and women. So far, we have completed nine and published the results of three HRIAs in selected high-priority supply chains: Avocados from Peru, Brazil nuts from Bolivia, and Coffee from Brazil.

Remedial measures

We take all instances and allegations of non-compliance seriously, whether reported by ALDI employees, workers at production sites, auditors, business partners, unions, civil society, media, or other stakeholders. If we identify that our business activities cause or contribute to human rights and environmental risks, we will take appropriate remedial action. Where ALDI is indirectly linked to risks and adverse impacts, ALDI will seek to engage with its business partners to address them.



We work closely with our business partners to remedy adverse impacts linked to our operations and products.

We have defined a variety of measures for these incidents considering the severity of the risk, including the following:

- Development of Corrective Action Plans (CAP) with concrete timelines to address findings and remediate non-compliances
- Review and update internal processes, such as changes to purchasing practices, additional trainings and audits, and other measures proportionate to the identified risk or impact
- A rapid response system in collaboration with The Centre for Child Rights and Business (The Centre) that enables us to react immediately and appropriately if child labour is found in our supply chains
- As a last resort, the exclusion of direct and indirect business partners from doing business with ALDI

ALDI reviews the effectiveness of its remedial measures regularly and makes adjustments ongoing where needed.

Goods not for resale

This year we continued to focus on human rights and social compliance within our goods not for resale (GNFR) supply chains.

The ALDI SOUTH Group conducts due diligence for our store uniforms via the Global SMP and CRSE programs. During the past year, ALDI Australia also undertook due diligence on our distribution centres uniforms. Our Business Partner Sustainability Standards (BPSS) are embedded into our GNFR contracts.



Case Study: Identifying risks in our GNFR supply chain

ALDI Australia reviewed a number of goods not for resale (GNFR) business partners in 2024. As part of this process, we undertook due diligence on the current social compliance and sourcing practices of select business partners.



ALDI provided recommendations to the business partners in relation to their policies, procedures, and action plans, along with information on the additional requirements which needed to be met in order to continue supplying to ALDI Australia.

On review, we identified a textile product being sourced from Pakistan. According to the ALDI SOUTH Group's requirements under the Pakistan Accord, all business partners sourcing from Pakistan are required to meet additional minimum requirements related to creating safe workplaces for workers throughout the supply chain. Due to this business partner only sourcing one product from Pakistan and the above requirements related to sourcing from this country, the business partner is investigating alternative sourcing options.

Grievance mechanisms

Access to effective remedy is a core component of the UNGPs. We recognise the importance of establishing and participating in effective multistakeholder grievance mechanisms for vulnerable individuals and communities who could be adversely impacted in global supply chains. The ALDI SOUTH Group continues to be involved in multiple grievance mechanisms that enable supply chain workers to voice their concerns.



Issara Institute Worker Voice Program

Since 2021, the ALDI SOUTH Group has been a strategic partner of the Issara Institute, an independent NGO that tackles human trafficking and forced labour. We work in partnership to provide workers in Thailand with a channel to have their concerns voiced, acted upon, and remediated.

Thanks to Issara Institute's experience, presence on the ground and trust by workers, we have deepened our knowledge on issues such as recruitment fees and complexities around the recruitment of migrant workers in Thailand. We have also been able to identify and address barriers to accessing grievance mechanisms. Our partnership with Issara will continue to develop.



amfori Speak for Change

amfori Speak for Change is a supply chain grievance mechanism set up to receive and address complaints to help workers, communities, rightsholders and their representatives access remedies if they have been negatively impacted in our supply chain.



Ready Made Garment Sustainability Council (RSC) Occupational Safety and Health Complaints Mechanism

Workers and employees at RSC-covered factories in Bangladesh, and their representatives, can raise health and safety concerns confidentially through the Occupational Health and Safety Complaints Mechanism.

Case study: Improving worker safety and factory policies through the Issara program

During the year, ALDI was contacted by Issara in relation to worker concerns at a production facility in Thailand. The concerns raised related to unsatisfactory personal protective equipment (PPE) and transportation that was provided to the workers. Additionally, the employees of the production facility were asked to provide a medical certificate for one to two days of absence when according to Thai law, they are only required to provide this after three days. The employees were also uncertain of how their regular and overtime wages were calculated.



ALDI and Issara engaged with the factory and workers to identify fair and acceptable solutions. Following this, Issara followed up with the workers to validate that the issues had been remediated.

Workers positively responded to Issara advising that they had received new PPE and that more shuttle buses were made available. Additionally, the concern with the medical certificate was resolved.

To avoid future misunderstandings and miscommunication, line supervisors were retrained on the relevant policies in the facility. Additionally, workers were provided information on wage calculations including their holidays and overtime payments.

The RSC inherited the Occupational Safety and Health Complaint Mechanism from Accord Bangladesh. Since 1 June 2020, it has been operated independently by the RSC. Accord brand and union signatories are tasked with ensuring that this mechanism continues to provide workers with access to remedy independently and autonomously. Information on the International Accord can be found in the partnerships section of this report.

ALDI Alert Line

The ALDI Alert Line can be used by business partners and employees to raise concerns or report policy violations. This independent service staffed by multilingual call handlers is available 24 hours a day, seven days a week.

Raising awareness and training

ALDI continues to raise awareness and deliver training to our internal and external stakeholders to ensure our business partners and internal teams are well equipped to identify any apparent risks which may arise within our supply chain.



Case Study: Internal modern slavery training

We partnered with Slave-Free Alliance in 2024 to deliver modern slavery awareness training to members of our Fresh Produce Buying and National Procurement teams. The training focused on helping participants identify signs of modern slavery, particularly related to workers, business partners and labour hire. It included strategies to help Buying teams spot potential issues during site visits, and relevant questions to ask business partners. It also provided our procurement team with the knowledge and resources needed to identify potential risks within our internal business and supply chain. Building confidence in reporting any concerns to the sustainability team was a key objective.

Directors and Managers participated in the training, demonstrating strong leadership commitment to tackling modern slavery. We surveyed participants before and after the training to assess its effectiveness. Participants were asked to rate their knowledge and confidence in identifying and reporting modern slavery.



The results showed a 31 per cent increase in their knowledge and a 28 per cent increase in their confidence to identify and report potential modern slavery.

This feedback demonstrates the positive impact of the training and highlights our ongoing commitment to raising awareness.



Case Study: Learning from good practices in our supply chain

We engaged a fresh produce business partner in 2024 to discuss their grievance mechanisms as part of our work to enhance escalation processes. The session highlighted their commitment to promoting transparency and accountability among employees and management.



Our business partner showcased their efforts to foster an environment where employees feel safe to speak up.

They presented a multifaceted system that empowers employees to raise concerns, report incidents and share ideas, along with specific QR codes designated for different types of feedback. They facilitate an anonymous reporting option, allowing workers to voice their concerns without fear of retaliation.

Communication is a key focus of the approach. Once a grievance is reported, designated personnel investigate and provide feedback or implement corrective actions as needed. The business partner emphasises responding to all suggested ideas, ensuring that employees feel

heard and understand the rationale behind decisions. For grievances raised openly, they maintain consistent communication throughout the remediation process.

This proactive approach enhances workplace conditions while reinforcing the business partner's commitment to ethical and transparent practices. While grievance mechanisms across supply chains require continuous improvement, this example highlights the meaningful progress that can be achieved with focused effort.

This engagement provided us with valuable information and instilled confidence that business partners in our supply chain are following good practices. We view these insights as a valuable benchmark.



By leveraging this knowledge, we can encourage business partners across our supply chain to adopt similar systems, fostering an environment where workers feel empowered to raise concerns and contribute ideas.

ALDI Australia collaborations and partnerships

Collaborations and partnerships with NGOs and government bodies are vital in tackling human rights and modern slavery issues as well as improving the traceability of our supply chains. No one organisation can tackle these issues alone. Below is a summary of ALDI Australia's most active collaborations and partnerships. Further information on all ALDI SOUTH Group partnerships is available [here](#).



Member of amfori since 2008

amfori is a global business association driving sustainable trade and supporting our ESG due diligence efforts to improve the Environmental, Social, and Governance performance of our supply chain. Being a member of amfori shows that we act for a more sustainable supply chain.

amfori BSCI (Business Social Compliance Initiative) is a comprehensive programme designed to identify, assess, and mitigate social risks within supply chains.

amfori BSCI enables us to exercise ESG due diligence, enhance transparency, and address significant violations of working conditions within international labour rights frameworks.



Partner since 2019

The Centre for Child Rights and Business helps companies understand their impact on children, providing practical solutions to mitigate risks while fostering positive, lasting change for children, parents, youth, and businesses.

Their services include preventing and remediating child labour, assessing child rights and human rights risks, connecting youth and other vulnerable groups with decent work and skill-building opportunities, and creating family-friendly workplaces in supply chains.

This includes establishing child-friendly spaces and offering training for migrant parents. ALDI has partnered with The Centre to develop and evaluate strategies to combat child labour, remediate cases of child labour found in its supply chains, and implement on-the-ground projects to prevent child labour from occurring.



Partner since 2019

Fair Farms is an industry-led initiative which offers a benchmarking self-assessment questionnaire, site-specific training, and an independent third-party audit to identify any risks.

Fair Farms offers a pathway to certification for fair and ethical employment practices on farms, and we accept Fair Farms as part of our Fresh Produce SMP.



Partner since 2020

Tony's Open Chain is an initiative designed to transform the cocoa industry. It helps chocolate brands to become sustainability frontrunners. Together, all participants in Tony's Open Chain are laying the groundwork for industry change by adopting necessary purchasing practices and a sourcing model that facilitates systemic change. Adopting Tony's 5 Sourcing Principles for cocoa enables the ALDI SOUTH Group to take responsibility for the cocoa supply chain.



Partner since 2021

(previously under the Accord on Fire and Building Safety in Bangladesh since 2013)

ALDI SOUTH Group was one of the first signatories of the Accord on Fire and Building Safety in Bangladesh in 2013. Our continued support and commitment to the Accord can be seen in our signing of the International Accord for Health and Safety in the Garment and Textile Industry in 2021 and 2023.

With the International Accord, we have seen continued work in Bangladesh through the RMG Sustainability Council (RSC) as well as an expansion of the Accord to Pakistan covering home textiles and fabric mills as well as ready-made garments. The ALDI SOUTH Group signed the Pakistan Accord in January 2023. Read more on our commitment [here](#).



Partner since 2021

Issara Institute is an independent non-governmental organisation based in Asia and the United States. It tackles human trafficking and forced labour through worker voice, partnership, and innovation.

Since April 2021, the ALDI SOUTH Group has been working as a strategic partner with the Issara Institute to develop and implement a worker voice and grievance mechanism initiative in Thailand called Inclusive Labor Monitoring.

This program provides an independent grievance mechanism to support workers and seeks to improve recruitment practices and working conditions in our supply chains by addressing issues and their root causes. It empowers workers to safely raise concerns about their working environment while also strengthening the remediation response and actions of suppliers.



Partner since 2014

Sedex is a global leader in supply chain sustainability solutions, dedicated to making global supply chains more socially and environmentally sustainable. Sedex provides an integrated data platform, practical tools, services, and a community network to help companies improve their responsible business practices and source sustainably. ALDI adheres to the Sedex Members Ethical Trade Audit (SMETA) as a standard for auditing production facilities in our Social Monitoring Program.

Effectiveness



ALDI understands that measuring effectiveness is imperative to ensuring we continue to reduce risk, as well as prevent and remediate instances of modern slavery.

In our previous Modern Slavery Statements, we have identified ways in which we measure effectiveness through our governance structures, awareness raising

and training, capacity building activities, consultation with external partners, and learnings from cases found through the monitoring of our supply chains.

An assessment of our Global SMP was undertaken in 2024 by conducting spot checks on randomly selected contracts. The aim was to ensure products were being manufactured at the factories specified in contracts as well as completing technical and work stream checks. By conducting spot checks we have improved our handling of identified risks and data quality.

We measured the effectiveness of the modern slavery awareness sessions as per page 22.

External assessments and disclosures

Chocolate Scorecard

The ALDI SOUTH Group placed 4th of 16 retailers in the fifth edition of the Chocolate Scorecard published by Be Slavery Free. The scorecard evaluated retailers based on their contribution towards driving positive change in the chocolate and cocoa industry. We placed 1st in the Child and Forced Labour category as well as the agrichemical management category. We also placed 2nd in the traceability and transparency, and the living income categories. This recognition acknowledges the ALDI SOUTH Group's efforts to improve its cocoa supply chain in these areas. Find out more about our ranking [here](#).

Tony's Choclonely

ALDI Australia joined other ALDI countries across Europe, the UK, and the US during 2024 in ranging three flavours of Tony's Choclonely chocolate, making ALDI a truly international mission ally and partner of Tony's Open Chain.

Choceur CHOCO CHANGER bars have a deeper meaning embodied into its design. The different shaped triangular pieces represent cocoa plantations from Ghana and Côte d'Ivoire, where the cocoa is sourced and hold a much

deeper meaning, reflecting the reality of the cocoa value chain where risks and rewards are not evenly distributed. You can find out more about our Choceur Choco Changer launch [here](#).

Global Child Forum Benchmark Report 2024

The ALDI SOUTH Group was assessed in the State of Children's Rights & Business 2024, placing joint 5th of 1,802 companies, compared with last year's joint 31st position. We also placed 2nd of 76 food retailers.

Ocean Disclosure Project

We are continuously working on making ALDI's fish and seafood supply chains more sustainable. The [Ocean Disclosure Project \(ODP\)](#) is a global platform and reporting framework established in 2015. It is dedicated to increasing transparency in global seafood supply chains by encouraging companies to publicly disclose their wild caught seafood sources. Along with ALDI in the United Kingdom, Ireland and the United States, ALDI Australia discloses a list of all fisheries, catch methods, and environmental impacts of wild caught seafood. You can find ALDI Australia's profile [here](#).

2025 Planned activities

ALDI Australia remains committed to tackling modern slavery and will continue to develop and extend our approach to human rights across our operations and supply chains. We understand that there is an ongoing need to review and enhance our approaches to effectively tackle modern slavery.

Our activities planned for the next year and ongoing include:



Reviewing and assessing grievance mechanisms and worker voice solutions for our merchandise and GNFR supply chains



Investigating and piloting the Fresh Social Monitoring Program (SMP) in the fresh meat category



Collaborating with Buying teams to enhance business partner engagement



Designing and implementing an updated human rights and modern slavery training program for our Buying teams



Improving due diligence in our goods not for resale (GNFR) space



Consultation

The senior leadership of relevant business units were consulted throughout the development of this Modern Slavery Statement. ALDI Australia's ongoing actions and commitment to addressing modern slavery were tabled and presented at the National Board Committee Meeting in June.

Relevant information is shared with responsible business units throughout the year. Our Chief Commercial Officer oversees the implementation of our commitments and policies to identify and mitigate human rights risks including modern slavery within our supply chains.

Approval



This Modern Slavery Statement was approved by the National Board of ALDI Stores (A Limited Partnership) ABN 90 196 565 019 as defined by the *Modern Slavery Act 2018 (Cth)* on 17 June 2025.

Appendix

Mandatory reporting criteria

The following table indicates the page numbers of the statement that addressed each of the mandatory criteria in section 16 of the *Modern Slavery Act 2018*.

A	Identify the reporting entity	4
B	Describe the reporting entity's structure, operations, and supply chains	4–6
C	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	7–8
D	Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	9–25
E	Describe how the reporting entity assesses the effectiveness of these actions	26
F	Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls	27
G	Any other information that the reporting entity, or the entity giving the statement, considers relevant	28



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