ALDI Price Increase Requests Policy

ALDI is committed to observing and complying with the mandatory Food and Grocery Code of Conduct (**Code**) prescribed under the *Competition and Consumer Act 2010* (Cth) and set out in the *Competition and Consumer (Industry Codes – Food and Grocery) Regulations 2024*.

This policy sets out the requirements and process that applies to price increase requests made by suppliers who supply grocery products consistent with the requirements of the Code (**Price Increase Requests Policy**).

Strong Supply Partnerships

ALDI is committed to building long-term, mutually beneficial supply partnerships. By fostering strong relationships with our suppliers, we ensure consistency in delivering top-quality grocery products at the lowest prices to Australian consumers.

Good Faith

We understand that suppliers will occasionally face rising operational costs. This policy guides suppliers on the process for submitting a price increase request to ALDI. When assessing a price increase request, ALDI is committed to negotiating these requests in good faith and in accordance with the Code.

Commercially Sensitive Information

ALDI will not require suppliers to disclose commercially sensitive information during price increase requests or subsequent negotiations for an increase in price for grocery products. However, if a supplier chooses to disclose commercially sensitive information to us in relation to a request for a price increase, ALDI will only use the information for this purpose and share it with employees or agents who need to have access to the information for this purpose.

Retribution

ALDI will not refuse to accept a price increase request as a form of retaliation or punishment against any supplier for exercising – or intending to exercise – their rights under the Code.

Additional Conditions for Fresh Produce Suppliers

Fresh produce suppliers must satisfy additional conditions to exercise their rights regarding notifying price increase requests under the Code.

If a price increase request relates to fresh produce, the following additional conditions must be satisfied:

a. the Grocery Supply Agreement includes a mechanism to regularly negotiate the price of the fresh produce, and
b. negotiations about a price increase are not concluded within 5 business days after the fresh produce supplier has informed ALDI of the price increase.

Submitting a Price Increase Request

A request for a price increase must be submitted in writing. ALDI's preferred and recommended process is for suppliers to complete the Price Review Request Form and email it directly to the relevant Buying Director (the primary recipient) with the Buying Admin Inbox (Buying.Admin@aldi.com.au) carbon copied. The Price Review Request Form is available for download from the ALDI website at https://www.aldi.com.au/corporate-suppliers/suppliers/supplier-information. Using the form reduces

the administration burden on suppliers, as it captures information that ALDI needs to assess a request, reducing follow-up questions and enabling requests to be processed more efficiently.

Notwithstanding this, ALDI will not refuse to consider a written request simply because a supplier did not use the Price Review Request Form.

A request must include the following information:

1. Supplier details – supplier name and supplier number.
2. Product details – article number and article description sufficient to identify the items (e.g., name, pack size/weight).
3. Proposed effective date.
4. Applicable region.
5. Value/amount of the current cost per case or unit.
6. The cost increase value/amount being requested per case or unit.
7. Percentage change.

A request may also include the following information to help ALDI evaluate the request:

- contracted currency
- incoterms
- whether the product is a catch weight item
- cost drivers (i.e., commodity or raw material costs, packaging costs, freight costs, utility costs, labour costs, other overhead costs), and
- the rationale supporting the requested price increase.

ALDI will acknowledge receipt of the request in writing.

Assessment

ALDI will assess and evaluate a request based on the information provided, relevant commercial factors and in accordance with the Code.

Notification of Response

ALDI will provide suppliers a written response to a request within 30 days of successfully receiving written notice for grocery products (with the 5 business days for fresh produce price increase requests being within the 30 day period) whether it:

- accepts the request
- accepts an increase in price but does not accept the amount of the price increase, or
- does not accept the price increase.

Negotiations

If a supplier is not satisfied with ALDI's decision, they can request to enter into negotiations about the price increase by notifying the relevant Buying Director and/or Senior Buyer (Group Buying Director) in writing, with the Buying Admin inbox (Buying.Admin@aldi.com.au) carbon copied. Once a request for negotiations is received, ALDI will contact the supplier to discuss the request and negotiate an outcome.

Negotiations with a supplier will be conducted in good faith and resolved without delay, generally within an extended period of no more than 90 days of the date of the initial price increase request.