

ALDI Australia Sustainable Forestry Policy May 2020



1. Background

ALDI Australia is committed to preserving our forests for future generations and reducing the potential impacts of deforestation of the products we use and sell. Illegal logging and unsustainable forestry management are key causes of deforestation worldwide, contributing to species extinction, climate change and affecting indigenous communities.

Sustainable forestry certifications, such as the Forest Stewardship Council (FSC), promote sustainable forestry management through independent third party certification of pulp, paper and timber supply chains. Recycled content reduces the use of primary resources and helps to stimulate a circular economy.

All relevant products and packaging must comply with this sustainable forestry policy from the end of 2020.

2. Policy

All products and packaging in scope delivered to ALDI from <u>1st January 2021</u> must comply with this policy, which is divided into two sections: products and packaging.

Products:

All products within scope must be either:

- FSC certified (including FSC 100%, FSC Mixed, FSC Recycled); or
- PEFC certified (including PEFC Certified, PEFC Recycled); or
- Blue Angel certified; or
- Made of 100% recycled content (including pre- and/or post-consumer recycled material)

For all certified products:

- Proof that the Final Production Facility (FPF) is chain of custody (CoC) certified must be provided to the ALDI nominated Technical Service Provider (TSP). Evidence can be in form of a valid CoC certificate or a printout of the certificate from the certification scheme's online database (links provided in section 5).
- All product sales documents must contain the following claim information for each product:
 - o Certificate code associated with each product
 - o Claim type (e.g. FSC Mix) for each product.

Packaging:

All primary packaging within scope must be either:

- FSC certified (FSC 100%, FSC Mixed, FSC Recycled); or
- PEFC certified (PEFC Certified, PEFC Recycled); or
- Made of at least 70% recycled content (including pre- and/or post-consumer recycled material)

For all certified packaging, the chain of custody certificate of the packaging provider is required. Where a packaging-related sustainable forestry certification logo is to be used on pack, a valid chain of custody certificate of the FPF is required (see section 4).

For more details regarding ALDI Australia's requirements for plastics and packaging, please refer to our Suppliers' Guide to Sustainable Packaging on the ALDI Supplier Website.

Illegal Logging Prohibition Act 2012

In addition to the above requirements, all products supplied to ALDI Stores Australia must meet the requirements of the Illegal Logging Prohibition Act 2012 and must have a due diligence process in place to ensure compliance.

3. Scope

The Scope of this Policy is divided into two sections:

- Products
- Packaging.

Products

ALDI Australia's Sustainable Forestry Policy applies to the following products:

	Non-Food* (excl. Textiles)		Textiles	Food	
	ALDI own-brand	Branded	(All)	(All)	Examples
Wood products or components	✓	Х	Х	Х	FurnitureWooden wok handleWooden decorations
Paper, card and cardboard products or components	✓	Х	Х	Х	Tissue paperBacking paper on picture frameDeck of cards prize in bonbons
Cellulose and pulp products or components	√	Х	Х	Х	Baby wipes, car wipes, etc.NappiesFeminine hygiene products
Cork, rattan and bamboo products and components	Х	Х	Х	X	Cork component of corkboardRattan furnitureBamboo chopping board

^{*}Non-food includes but is not limited to formulated products, hardgoods, electrical/electronic items, nutritional supplements, etc.

Legend:

- √ In Scope
- X Out of Scope

Goods Not For Resale

ALDI Australia's Sustainable Forestry Policy applies to the following goods not for resale:

- Thermal register paper rolls.
- All advertising and promotional material, including Special buys catalogue, point of sale, price cards, etc.
- Office printer paper.

Packaging

ALDI Australia's Sustainable Forestry Policy applies to the packaging of the following products:

	ALDI own-brand products		Durandad	
	Core Range and Trial	Seasonal and Special	Branded products	Examples (not exhaustive)
Cardboard (monomaterial) primary packaging or packaging components	√	X	X	BoxesSleevesEgg cartonsHang tagsDisplay cards
Paper (monomaterial) primary packaging or packaging components	✓	Х	X	 Flour or sugar bags Paper patty pans (e.g. on cakes) Filling in shoe boxes Wrap labels on canned products
Wood (monomaterial) primary packaging or packaging components	✓	х	Х	Ice cream/lolly sticksWooden display units or stands
Instructions, inserts, and other internal packaging components	√	Х	Х	 User instructions Warrantees Paper inserts Cardboard inners Cardboard filler material
Composite (multi- material) cardboard- based packaging for <u>liquids</u> .	✓	X	x	 <u>Gable top cartons</u>: milk, juice, custard <u>Liquid paper board</u>: juice boxes, liquid stock, passata cartons.
Composite (multi- material) packaging components of <u>non-</u> <u>liquid</u> products.	X	X	Х	 Foil-lined paper wraps: chocolate bar wrappers Sachets: seasoning, powdered sauces Plastic-coated cardboard packaging where the plastic makes up more than 5% of the packaging weight: peel-off yoghurt or noodle cup lids, paperboard ice cream tubs
Adhesive labels	X	X	х	 Price or produce stickers Olive jar labels Water bottle labels Wine bottle labels
Secondary Packaging	X	Х	х	Shelf-ready packagingProduce crate linersOuter casesCardboard trays

Legend:

✓ - In Scope

X - Out of Scope

4. Product Labelling

The following labelling requirements apply to products and packaging:

Products:

- Labelling is mandatory for certified products.
- All products with a valid chain of custody claim must use the relevant sustainable forestry scheme logo on pack.
- Logos must follow the ALDI Australia Master Artwork Guidelines (MAG) and the trademark and logo usage requirements of the relevant scheme.
- The supplier is responsible for obtaining approval for final artwork from the ALDI-nominated TSP.
- For FSC certified products, the supplier must also obtain approval for the final artwork (including FSC logo) from the relevant certification body. This is not required for PEFC certified products.

Packaging:

- Labelling is voluntary for certified packaging.
- Products with primary packaging that has a valid chain of custody claim are eligible to use the relevant sustainable forestry scheme logo on pack, but are not required to do so.
- Where a logo is used, logos must follow the ALDI Australia MAG and the trademark and logo usage requirements of the relevant scheme.
- The supplier is responsible for obtaining approval for final artwork from the ALDI-nominated TSP.
- For product packaging using the FSC logo, the supplier must also obtain approval for the final artwork from the relevant certification body. This is not required for PEFC certified packaging.

5. Further Information

Topic	Information
ALDI Supplier Website	For related ALDI policies and Guidance, including the Suppliers' Guide to
	Sustainable Packaging, refer to the ALDI Supplier Website available at:
	https://corporate.aldi.com.au/en/suppliers/supplier-information/
Blue Angel	https://www.blauer-engel.de/en
Forestry Stewardship	FSC chain of custody standard:
Council (FSC)	https://au.fsc.org/en-au/standards/chain-of-custody
	FSC certificate online database:
	https://info.fsc.org/certificate.php
Illegal Logging	The Sustainable Forestry Policy are required in addition to the ALDI Illegal
Prohibition Act 201	Logging Due Diligence Process for the import of any product under the scope
	of the Illegal Logging Regulation.
	For further information on the Illegal Logging Prohibition Act and Regulation,
	access the Australian Government page:
	https://www.agriculture.gov.au/forestry/policies/illegal-logging
Programme for the	PEFC chain of custody standard:
Endorsement of Forest	https://www.pefc.org/standards-implementation/standards-and-guides
Certification (PEFC)	PEFC certificate online database:
,	https://www.pefc.org/find-certified

For any questions regarding the ALDI Sustainable Forestry Policy, please contact:

ALDI Stores Corporate Responsibility Department

Email: aldicr@aldi.com.au

6. Definitions

Chain of Custody certification: For a product to have a valid Chain of Custody certification claim, the Final Production Facility (FPF) that supplies the product to ALDI must have the relevant Chain of Custody certification of the Sustainable Forestry Scheme.

Composite (multi-material) packaging: Packaging made from two or more material types, where one material type does not exceed 95% of the total packaging weight.

Final Production Facility (FPF): The facility that manufactures the product designed and intended for final consumption.

Monomaterial packaging: Packaging consisting of at least 95% of only one material type.

Relevant Certification Body: The relevant certification body

Sustainable Forestry Scheme: Consists of independent third party assessment and Chain of Custody certification of the Forestry Supply Chain against defined standards related to the sustainability aspects of that Supply Chain. The schemes accepted by ALDI are the FSC, PEFC and Blue Angel.

Wood fibre-based: Refers to any wood, wood-fibre based cellulose, paper and pulp-based materials.