



# Suppliers' Guide to Sustainable Packaging



ALDI Australia



# Introduction

The Ellen MacArthur Foundation has predicted that at current rates of plastic pollution, “there will be more plastic than fish in the ocean by 2050”.

Governments, industry and consumers have recognised the need for our economies to become circular; moving away from a take-make-waste approach and toward closed loop solutions that keep resources in the economy and out of landfill.

As a responsible retailer, ALDI accepts that we have an important role to play, which is why we have announced the ALDI Australia Plastic and Packaging Commitments.

Announced in 2019, these Commitments will trigger action in our supply chain and drive sustainable packaging innovation in Australia. We believe this will not only benefit the environment but also provide value to our business partners and customers.

## ALDI Australia Plastics & Packaging Commitments



### By the end of 2025, we aim to reduce plastic packaging by 25% (2019 baseline).

2019 baseline: as compared to product packaging supplied to ALDI from 1 January - 31 December 2019.

- The reduction will be calculated as a sales volume-weighted average, i.e. total weight of packaging/sales volume (RCV) of all ALDI Australia own-brand products.

**Plastic:** Plastics are polymers that include thermoplastics, polyurethane, thermosets, elastomers, adhesives, coatings and sealants and Polypropylene fibres. Polymer types include, but are not limited to: Polyethylene Teraphthalate (PET), Polyvinyl Chloride (PVC), High-Density Polyethylene (HDPE), Low-Density Polyethylene (LDPE), Polypropylene (PP), Polystyrene (PS), and Expanded PS (EPS).



### We will actively reduce the amount of plastic packaging in our fresh produce range and transition to more sustainable alternatives where possible, providing no increase in food waste.

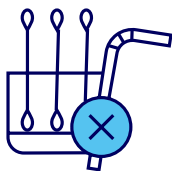
**Fresh produce:** fresh fruit, vegetable and herb products supplied to the following ALDI Commodity Groups:

- ACG 38 - Vegetables: all SubCommodity Groups; excluding 38-17 (Snacks & Convenient Vegetables)
- ACG 58 - Fruits: all Sub Commodity Groups; excluding 58-15 (Snacks & Convenient Fruits)
- ACG 88 - Salads; 01 - Lettuces.

Sustainable packaging alternatives include those that:

- Reduce packaging
- Offer a reusable packaging solution
- Are widely recyclable or home compostable.

**Food Waste:** defined as food (including beverages) that can no longer be sold, meaning that it either has to be disposed of or donated.



**We will phase out problematic and unnecessary single-use plastics by the end of 2020. These include plastic straws, plastic disposable tableware and plastic stemmed cotton buds. Beyond 2020, we will prioritise the phase out of EPS packaging and PVC packaging labels.**

**Phase out:** ALDI will not accept delivery of problematic and unnecessary single-use plastics after the above-stated deadline.

**Problematic and unnecessary single-use plastics:**

- Problematic single-use plastics are not reusable, widely recyclable or compostable, or have detrimental impacts on the environment (e.g. plastic straws)
- Unnecessary single-use plastics are those that are not necessary for food safety/integrity or could be replaced with more sustainable alternatives, including reuse models.

**Plastic straws:** applies to plastic drinking straws sold as stand-alone products as well as those sold as components of other products (e.g. juice boxes, poppers, etc.).

**Plastic disposable tableware:** includes plastic plates, cutlery, stirrers, and drink and coffee cups sold as separate products. Plastic cutlery included in other products, such as ready meals (e.g. microwave meals, noodle cups, etc.) is also included.

**Expanded polystyrene (EPS):** refers to EPS loose fill consumer packaging, EPS moulded consumer packaging and EPS food and beverage consumer containers. This requirement does not currently extend to business-to-business packaging.

**Polyvinyl Chloride (PVC) labels:** refers to labels and sleeves on consumer packaging made of PVC.

**Fragmentable plastics:** including oxo-degradable, photo-degradable or enzyme mediated materials which incorporate additives to accelerate fragmentation of the material into smaller pieces are considered problematic and **not accepted by ALDI** in-line with national guidance.



**We will prioritise the reduction or replacement of difficult to recycle black plastic packaging.**

**Difficult to recycle black plastic packaging:** refers to any rigid plastic that is coloured using carbon black pigments, which are non-detectable by recycling facility sensors. Black plastic that does not use carbon black pigments and is detectable by recycling facilities will be acceptable to ALDI, provided the supplier can prove recyclability.

While this commitment applies to ALDI own-brand products only, suppliers providing branded products are also encouraged to remove black plastic from their packaging.



**The packaging of our exclusive brands will be reformulated to be 100% recyclable, reusable or compostable by the end of 2025.**

**Recyclable:** packaging must be recyclable at either kerbside or within ALDI stores. Packaging that can be technically be recycled but not through kerbside or ALDI stores is not considered 'Recyclable' under this goal.

**Reusable:** packaging purposefully designed to be reused in the same application for which it was originally created.

**Compostable:** certified to the Australian Home Compost Standard: AS 5810 - 2010. Claims of degradability, biodegradability, or industrial compostability, etc. that do not meet the Australian Home Compost Standard will not be accepted given the current limited number of suitable organics recycling facilities accepting these materials and a lack of industry and consumer knowledge around the considerations of compostability.





**By the end of 2020, all paper and pulp-based packaging in our everyday range will either be FSC, PEFC or 70% recycled.**

**Paper and pulp-based packaging:** primary packaging derived from wood-based component(s) (including wood-based cellulose, paper and pulp). Sticker labels are excluded from this commitment.

**Everyday range:** All ALDI branded core range products.

**FSC:** certified to the Forest Stewardship Council (FSC) Chain of Custody standard.

**PEFC:** certified to the Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody standard.

**70% recycled:** primary paper and pulp-based packaging not FSC or PEFC certified, must include at least 70% recycled content.

In addition to the above packaging goal, all ALDI-branded products with wood, paper or pulp-based components must be either certified to FSC or PEFC standards or consist of 100% recycled materials.



**We will aim to stimulate an Australian circular economy by committing to include 50% post-consumer recycled materials in all our packaging by the end of 2025.<sup>1</sup>**

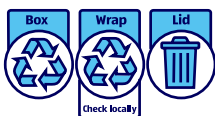
The percentage of post-consumer recycled content will be calculated as a sales-weighted average, i.e. the proportion of post-consumer recycled material across primary and secondary packaging supplied to ALDI will need to reach 50% on average, across the entire range.

Only post-consumer recycled (often referred to as PCR) content is included under this commitment.<sup>1</sup>

- **Post-consumer material:** material waste generated by households or by commercial, industrial and institutional facilities. This excludes material diverted from the waste stream during the manufacturing process.

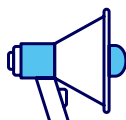
Material-specific recycled content goals are outlined below:

Material Type	ALDI 2025 Target (Primary and Secondary)
All packaging	50%
Plastics	30%
PET	30%
HDPE	20%
PP	20%
Flexible Plastics	10%
Paper	60%
Metals	35%
Glass	50%



**We will use the Australasian Recycling Label (ARL) on all ALDI branded products by the end of 2022 and we will further educate customers on the importance of packaging waste reduction (reduce, reuse, recycle).**

**Australasian Recycling Label (ARL):** an evidence-based system that provides easy to understand instructions on-pack about how to correctly dispose of every part of a product's packaging. Suppliers will be asked to provide data and specifications to populate the Packaging Recyclability Evaluation Portal (PREP) tool to assess recyclability and generate an ARL (see Helpful Tools Section).



**We will publicly report against all of these goals from 2020.**

**Publicly report:** ALDI will produce progress reports and may request data from suppliers to do this. Supplier information will be anonymised and aggregated prior to publication.

**From 2020:** the first report, published in 2021, will document progress made in 2020.

<sup>1</sup>Until July 2022, recycled content under this commitment also included post-industrial scrap recirculated within the packaging manufacturing plant and pre-consumer packaging

# Key Packaging Considerations

The below provides recommendations for the key areas suppliers should consider when designing or purchasing packaging. The below points are general guidance and packaging may need to be considered and compared on a case-by-case basis.



## Rethink & Redesign

Consider whether the packaging is absolutely needed - could it be removed, reduced, or replaced (i.e., through a purposefully design reuse system)?

Consider whether the proposed packaging design is outdated - packaging innovation is changing constantly, so what might have been common practice last year may have new solutions available.

Consider product-packaging innovation and customer interaction - are there any opportunities to influence how customers perceive, use and dispose of your packaging?



## Reduce

Reduce unnecessary packaging - explore eliminating complex components such as trigger pumps or unnecessary layers such as inner bags or multi-wraps.

Reduce thickness/weight and optimise packaging design - optimised material efficiency is where no further reductions in packaging weight or volume are possible at the present time.



## Reuse

Consider offering reusable packaging solutions. Reusable packaging is packaging purposefully designed to be reused in the same application for which it was originally created.

Consider offering flexible refill packs in order to promote the reusability of primary packaging.



## Recycle

Optimise return systems for beverage bottles (e.g. through Container Deposit Schemes).

Prefer one material instead of material combinations.

Strive for separability if various material components are used for packaging.

Avoid carbon black and dark packaging and minimise the use of ink.

Aim for maximum residual emptying of packaging in order to improve recyclability.

Display recognised recycling labels on packaging to raise and increase customer awareness.

## Recycled Content

Maximise recycled content without compromising product safety and prefer post-consumer material instead of post-industrial material where available. Only post-consumer recycled content is considered under the ALDI Plastics & Packaging commitments.<sup>2</sup>

## Prioritisation of Packaging Improvements

In cases of potential conflict between packaging improvements, the following prioritisation of packaging considerations is recommended:

1	2	3	4	5	6
Elimination of packaging	Reusability	Recyclability	Use of recycled content	Light-weighting of packaging	CO <sub>2</sub> and Life Cycle Assessment (LCA) impact

## Other Packaging Related Policies and Guidance

If you would like to know more about ALDI Australia's other Corporate Responsibility policies related to packaging:



Please contact [aldicr@aldi.com.au](mailto:aldicr@aldi.com.au)

<sup>2</sup>Until July 2022, recycled content under this commitment also included post-industrial scrap recirculated within the packaging manufacturing plant and pre-consumer packaging



# Helpful Resources

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To support our business partners in the implementation of the ALDI Plastics and Packaging Commitments, some helpful resources are provided below:

- [ALDI Packaging Material and Design Guide for Business Partners](#)
- [APCO Sustainable Packaging Guidelines \(SPGs\)](#)
- [APCO Publication - Recycled Content Guide](#)

APCO has an extensive library of materials developed to support its members implement sustainable packaging decisions. Some examples of helpful resources are provided below:

- [Quickstart Guides](#): cover a range of packaging material types, including rigid and flexible plastic, composite, compostable, fibre-based, etc.
- Further guidance on use of recycled content.
- Packaging Assessment templates.

## Commercial Recycling

To assist in minimising packaging-associated waste generated during product packaging and shipping processes (e.g. pallet wrap, packaging off-cuts, etc.), we recommend the following resources:

- PlanetArk's [www.recyclingnearyou.com.au](http://www.recyclingnearyou.com.au).
- State/Territory Government websites offer helpful guidance on available business recycling services.



# Helpful Tools

## ALDI Australia - Packaging Collection Form (PCF)

ALDI requires detailed packaging data for all ALDI-branded products and supplier-branded fresh produce to facilitate reporting against the Plastics and Packaging Commitments. Suppliers must complete a Packaging Collection Form (PCF) (either via the ALDI Product Portal or excel template) for each product they supply to ALDI Australia. A new PCF is required in all instances of new products and/or new product variants (including product code or barcode changes), and changes to packaging specifications; or, if the ARL is to be applied to a product/variant for the first time.

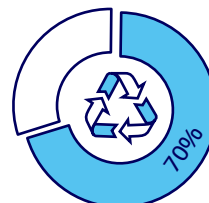
PCFs capture information on all primary and secondary product packaging. Questions cover general packaging specifications from format (i.e., bottle, can), to material type/s, size and weight, as well as performance against ALDI's P&P Commitments, such as:



The percentage of packaging (by weight) made from recycled content (%) and of this, how much is from post-consumer, pre-consumer and/or unknown sources.



Presence of any single-use and/or problematic plastic packaging components (i.e. straws, cutlery), or components containing carbon black pigment.



Whether wood/paper/pulp-based primary packaging is from 70% recycled materials or sourced from certified sustainable supply chains (PEFC or FSC Certification).

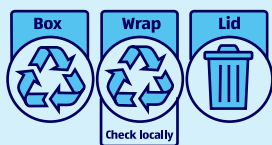
## Life Cycle Assessments (LCAs)

LCAs are helpful tools to understand, quantify and communicate the environmental and social credentials of packaging solutions. The assessment considers the complete life cycle, starting from the production of raw materials to the final disposal of the products, including recycling if applicable. The international standards relevant to life cycle assessments are:

- **ISO 14040: 2006** - Environmental management – Life cycle assessment – Principles and framework.
- **ISO 14044: 2006** - Environmental management – Life cycle assessment – Requirements and guidelines.

Requesting a LCA from packaging providers can help suppliers make more informed packaging decisions.

**Packaging Recyclability Evaluation Portal (PREP):** helps brand owners, packaging designers and manufacturers assess the recyclability of various packaging components. PREP can help brand owners appropriately label their products but also informs packaging design to achieve maximum recyclability in the Australian context.



**Australasian Recycling Label (ARL):** an evidence-based system that provides easy to understand instructions on-pack about how to correctly dispose of every part of a product's packaging. The recyclability claims are based on PREP analysis.

## Available Grant Schemes

We encourage you to seek out available grant schemes that support innovation and the commercialization of sustainable packaging solutions. Some examples of grant providers are provided below to get you started:

- [Sustainability Victoria](#)
- [NSW Environment Protection Authority](#)

# Key Contacts



The below contacts are available to help answer any questions you may have regarding specific topics.

Enquiry Topic	Contact	
Tenders Contractual Arrangements	Relevant contact in ALDI Corporate Buying	
Technical specifications Claim verification and artwork approval	Relevant technical service provider (TSP)	
ALDI Policies Sustainability initiatives	ALDI Corporate Responsibility Department	<a href="mailto:aldicr@aldi.com.au">aldicr@aldi.com.au</a>
PREP Tool	Australian Packaging Covenant Organisation (APCO)	02 8381 3700
APCO Membership	Australian Packaging Covenant Organisation (APCO)	<a href="https://apco.org.au/contacts">https://apco.org.au/contacts</a>

# Sources of Further Information



The below institutions can provide further guidance and support on a variety of issues related to sustainable packaging.

[Australian Institute of Packaging \(AIP\)](#)

[Australian Packaging Covenant Organisation \(APCO\)](#)

[Boomerang Alliance](#)

[Ellen Macarthur Foundation](#)

[NSW Environment Protection Authority](#)

[PlanetARK](#)

[Replas](#)

[Sustainability Victoria](#)

