



ALDI Australia's Plastics and Packaging Progress Report 2021



A word from ALDI's Corporate Responsibility Director

Australian consumers continue to opt for products that not only deliver on quality and incredible prices, but also align with their values. We recognise the choices we make as a business impact the environment, and by providing our customers with more sustainable alternatives, we can reduce that impact.

Our commitment to reduce plastic packaging by 25% by 2025 is just one way we're reducing our packaging footprint and helping our customers reduce theirs.

I am proud to say that almost two years after announcing our plastics and packaging commitments, as of the end of 2021, we have achieved a plastic packaging reduction of 11% as compared to 2019. This is equivalent to preventing more than 4,000 tonnes of plastic from entering the environment.

According to new research*, 39% of Australians believe of all product categories, fresh produce has the most unnecessary use of plastic, and 70% avoid buying fruit and vegetables when it is packaged in plastic. This category remains a key focus for our business and we've achieved an 18% reduction in plastic packaging across our fresh produce range.

We know our job doesn't stop when the groceries leave our stores - we also have a role to enable our customers to do their bit once they've consumed our products. **Almost half (43%) of Australians admit they don't always recycle packaging from their household waste and 79% say they would correctly sort and dispose of their household waste if given clearer instructions.** Our goal is to have the Australasian Recycling Label (ARL) featured on all ALDI products by the end of 2022 to prevent avoidable barriers to recycling. As of the end of 2021 we were well on track with the ARL now displayed on 75.6% of our range.

We have listened to our customers and know that **78% of Australians want supermarkets to be focused on reducing plastic packaging on products and 67% want supermarkets to use more recycled materials in their packaging.** We will continue to work with our producers to remove unnecessary plastics, redesign our packaging to improve recyclability and help customers recycle better with the Australasian Recycling Logo (ARL).

While we've already made significant improvements, we still have a lot of work to do to achieve our goals and remain committed to transparently reporting on our progress against each commitment.

* Research commissioned by ALDI Australia and undertaken by PureProfile surveying a national sample of 1,008 qualified Australians aged 18+ years between 3rd - 5th May 2022.



Daniel Baker
Director
Corporate Responsibility
ALDI Australia

ALDI 25by25 commitments progress update



25% reduction in plastic packaging by the end of 2025

✓ Status: On track

Reduction



-11%



Reduction in fresh produce plastic packaging

✓ Status: On track

Reduction



-18%



Phase out problematic and unnecessary single-use plastics by end of 2020

✗ Status: Completion mid-2022

Reduction



-50%



Prioritise the reduction or replacement of difficult to recycle black plastic packaging

✓ Status: On track

Reduction



-51%



Packaging will be 100% recyclable, reusable or compostable by the end of 2025

✓ Status: On track

Milestone

84%



All paper and pulp-based packaging to be certified or minimum 70% recycled content by the end of 2020

✓ Status: On track

Milestone

100%



Average 50% recycled content in packaging by the end of 2025

✓ Status: On track

Milestone

28%¹



ARL logo featured on all ALDI products by the end of 2022

✓ Status: On track

Milestone

76%

¹ In FY 2021, ALDI increased the recycled content goal from 30% to 50%, to include all packaging material types, not just plastic.

Plastic reduction and packaging improvements across ALDI products



Westcliff Juice Poppers

- This product has been the first of its kind in Australia to replace plastic straws with paper and will allow us to achieve our goal of phasing out all unnecessary single-use plastics by mid-2022.
- This swap in straws saves 18 tonnes of plastic each year.

Bedding

- We replaced non-recyclable PVC plastic with fabric packaging made from production off-cuts on sheets and quilt covers. This gave the fabric a second life and reduced plastic packaging by 75% across the range.

Coffee Machines - EPS removal

- Most of our capsule coffee machines have replaced expanded polystyrene packaging with 70% recycled cardboard.
- This improvement means the packaging for our capsule coffee machine range has removed almost half a tonne of EPS per year from the market.

Frozen Ready Meals

- In 2021, we began our transition to recyclable trays for our frozen ready meals range.
- This has removed around 8 tonnes of problematic black plastic packaging in 2021, with more savings to come.

Detergents & Cleaners & Personal Care

- Our detergents, cleaners and personal care products have replaced 339 tonnes of virgin plastic with recycled plastic packaging.
- Our DiSan PRO laundry range is made with 30% recycled plastic packaging.

Bananas

- We no longer have any plastic in our banana range, by removing our Little Snackerz product.
- This improvement alone has saved over 2 tonnes of plastic!

Salad Bowls

- We are the only retailer to have entirely removed plastic forks from salad bowls, preventing around 4.4 million plastic forks from going to landfill since we began removal at the end of 2020.
- This has removed 11 tonnes of single use plastics!

The Australian Government's 2025 National Packaging Targets

We work closely with our business partners, government and industry to ensure that we're collectively contributing to the 2025 National Packaging Targets. We participate in the Australian Packaging Covenant Organisation's ARL Program to remove recycling confusion and better enable our customers to correctly dispose of every part of a product's packaging – whether it's a tray, a lid, or a film.

66 The ARL increases recycling recovery rates and contributes to cleaner recycling streams and it is commendable to see ALDI support its customers to play their part in correctly recycling and disposing of their packaging. Achieving the display of the ARL on 75.6% of own-brand products as of the end of 2021 is a fantastic achievement and it's great to see ALDI on its way to have it included on their entire range by the end of 2022. Further, the progress ALDI is making by working with their supply chain to improve the recyclability of product packaging and reduce unnecessary packaging is admirable and we look forward to seeing them continue to implement improvements. 99



Brooke Donnelly
Chief Executive Officer
APCO

Support from ALDI's business partners

Juslink is an Australian textile wholesaler and manufacturer and has partnered with ALDI since 2003. They design and supply ALDI with fashionable and functional bed linen, bedware and napery, including the much loved Hotel Collection sheets. We're proud to work with suppliers like Juslink that share our values and are committed to sustainable packaging.

66 We've a productive and mutually beneficial partnership with ALDI and work closely to continually innovate to realise more sustainable business practices. In 2021 we embarked on a project to remove the PVC plastic packaging that covered the sheets and quilt covers we supply to ALDI, replacing the cover with a material version made from cut offs from the sheet or quilt cover set product itself. It is a more sustainable solution as it eliminates the use of plastic and utilises the existing material we have in production. This transition has removed 75% of plastic from the range on ALDI's shelves. We're still making progress to improve the packaging on some bedding, curtain and napery products which will further improve the environmental sustainability of our range. 99



Ronald Leung
Director
Juslink